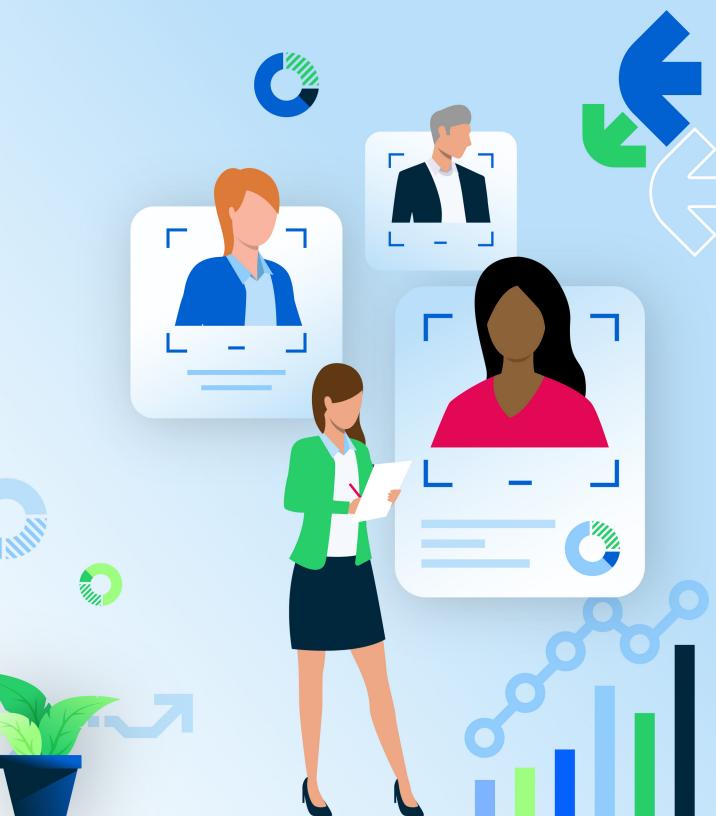
# The State of ONLINE RECRUITING

2023





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#### Introduction



For **iHire's 5<sup>th</sup> Annual State of Online Recruiting Report**, we surveyed **2,194** job seekers and **489** employers from **57** industries across the United States for an inside look into today's talent acquisition landscape and the role job boards and recruitment platforms play in connecting companies with candidates.

The results of the survey intend to equip recruiters, hiring managers, and HR professionals with actionable, data-driven insights to find qualified talent not only faster, but also smarter, as the employment market sits on the brink of change. For example, the U.S. unemployment rate is low (3.6%), and 9.8 million jobs remain unfilled, as some industries are desperate to hire. However, others – like tech – have been experiencing waves of layoffs. Meanwhile, talk of economic downturn continues, and technology trends like artificial intelligence (AI) are impacting just about every sector.

Amid all this disruption, iHire's 2023 State of Online Recruiting Report answers the following questions and more:

- What challenges are employers and candidates experiencing when connecting with one another?
- Why are job seekers searching for work and which resources are they using to find it?
- Which job board features and functions do users believe are most valuable?
- How are layoffs and resignations impacting hiring?
- What's next for recruitment and job search trends in 2023?

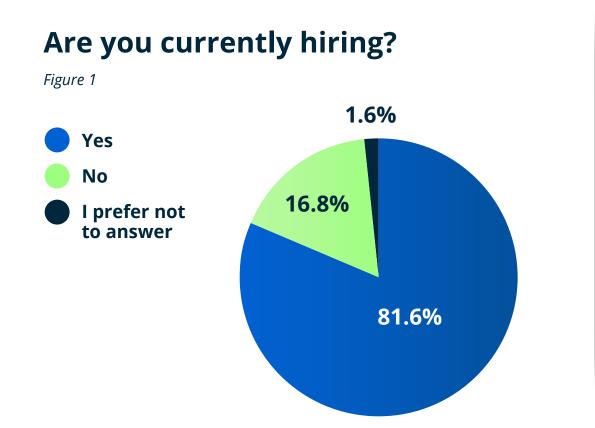


#### The State of Online Recruiting: Employer Survey Results



#### Who's Hiring?

As of June 2023, the majority (81.6%) of employers surveyed were hiring (Figure 1), but that number was down 9.2% from the previous year, as 89.9% were hiring in June 2022. Of those who weren't hiring, 73.2% said they didn't have a need to hire at the moment and just 8.5% said they were experiencing a hiring freeze (Figure 2). Only 2.4% said they were conducting layoffs.





\*Other responses included hiring seasonally, office closing, and hired recently.

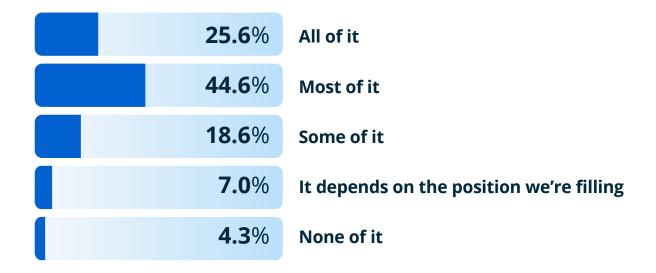


#### **Job Board & Recruiting Platform Usage**

In 2023, employers continue to rely heavily on job boards, as 70.2% of companies surveyed use job boards/recruitment platforms for all or most of their hiring (Figure 3). Additionally, the portion of employers who use jobs boards for all of their hiring grew 14.3% since 2022's survey, while 47.4% said they've increased their reliance on job boards in the past year.

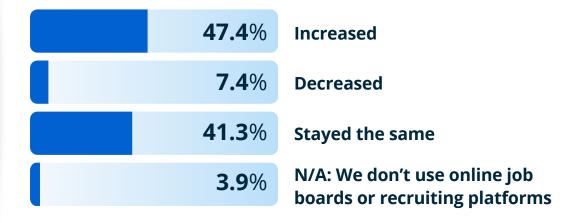
# Approximately how much of your hiring is done through online job boards/recruiting platforms?

Figure 3



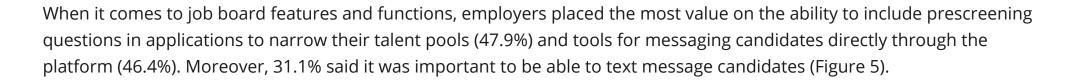
# In the past year, your company's reliance on online job boards and recruiting platform has:

Figure 4







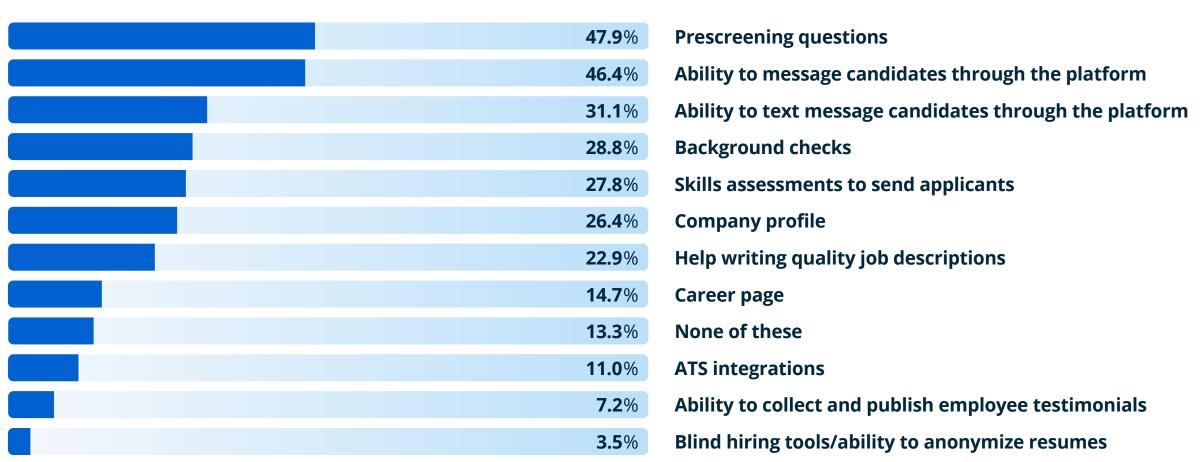




#### What types of features on a job board or recruiting platform are most important to you?

(Select all that apply.)

Figure 5





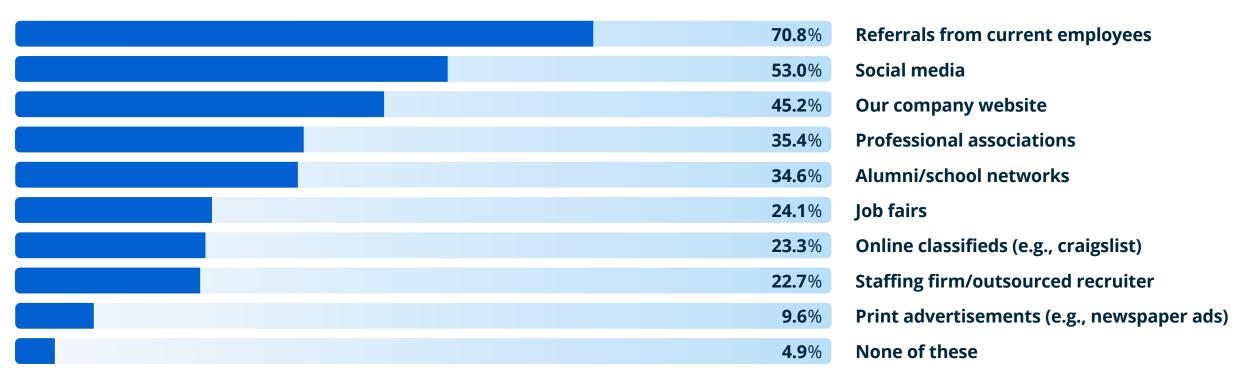
#### **Other Recruiting Resources**

Referrals were employers' most popular source for talent aside from job boards (Figure 6) – 70.8% rely on current employees to provide leads for potential hires, and 75.5% said the same in 2022. Although social media ranked second (53.0%) as a recruiting resource, 12.5% fewer employers regularly use social media for recruiting than they did the previous year.

#### Aside from job boards, which of the following resources do you use regularly for recruiting?

(Select all that apply.)

Figure 6



#### **Recruiting Challenges**

Candidate quality has been a perennial challenge for survey respondents, and 2023 was no exception – 62.6% of employers said they receive too many unqualified applicants when recruiting through a job board or recruiting platform (Figure 7). Ghosting (54.0%) and a low volume of applicants (43.1%) rounded out the top three employer challenges in both 2022 and 2023, as organizations continued to express these unresolved frustrations.

#### What are your biggest challenges right now when recruiting through an online job board or recruiting platform?

(Select all that apply.) Figure 7 62.6% We receive too many unqualified applicants 64.5% **54.0% Ghosting/unresponsive candidates (not hearing back from applicants)** 52.1% 2023 43.1% We receive too few applicants 68.0% 2022 39.9% Cost of using a job board 27.1% 11.5% Lack of candidate diversity 11.5% 7.8% Writing a compelling job posting 5.3% 7.0% **Tracking and managing applicants** 5.3% 4.7% Difficulty accessing recruiting data/KPIs 4.3%

2.7%

4.3%

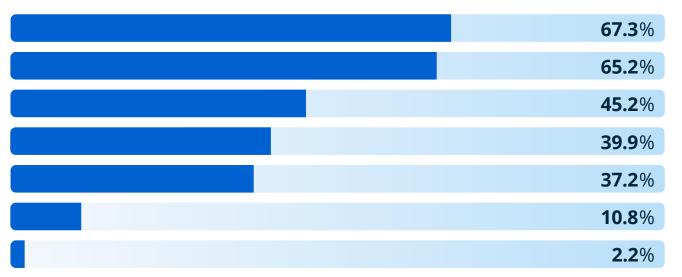
We receive too many applicants



Anticipating continued issues with candidate quality, we asked employers to define what they believe makes an applicant qualified (Figure 8). Possessing a majority of the required skills listed in a job ad (67.3%) and industry-specific experience (65.2%) ranked at the top of respondents' lists of critical attributes. A formal education/degree (39.9%) ranked fourth, as more employers are turning to skills-based hiring to deepen their talent pools.

#### In your opinion, which of the following attributes make a candidate qualified? (Select all that apply.)

Figure 8



Has a majority of the required job skills listed in the ad
Has experience in our company's specific industry
Possesses the right certifications
Possesses the right formal education/degree
Possesses a recent/current career title relevant to the job
Other\*



\*Other responses included culture fit, experience with specific software tools, longevity at previous companies, attitude, willingness to learn, and work ethic.





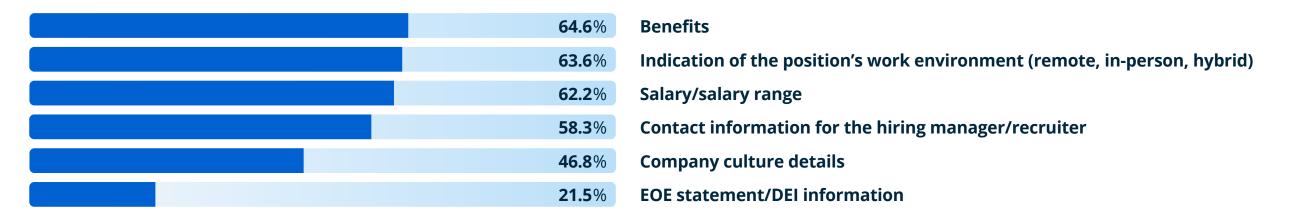
#### **Online Job Ads**

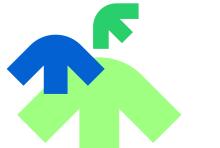
In 2023, 62.2% of respondents said they always include the salary or salary range for a position – an 8.3% increase from 2022 (57.4%) (Figure 9).

Employers were also conscious about listing benefits (64.6%) and noting whether the position involves a remote, in-person, or hybrid work environment (63.6%). Yet fewer than half include company culture details (46.8%) and an equal opportunity employer (EOE) statement (21.5%).

# Besides requirements and qualifications for a position, which elements do you always include in your online job ads? (Select all that apply.)

Figure 9





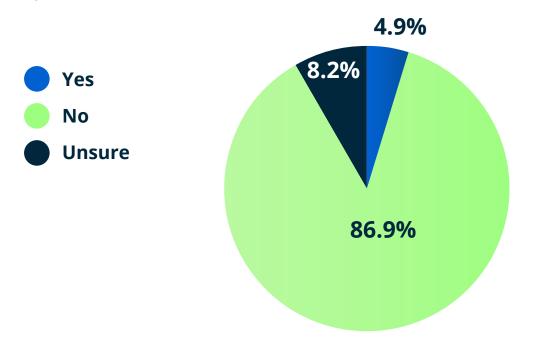


#### AI in HR

Are hiring professionals falling behind the tech curve? While 10.8% said they expect the increased use of AI tools to impact hiring in 2023 (Figure 12), just 4.9% said they are currently using such tools in their recruitment efforts (Figure 10). Of that small percentage, 54.2% are using AI for screening applicants, and 50.0% are using it when developing job descriptions (Figure 11).

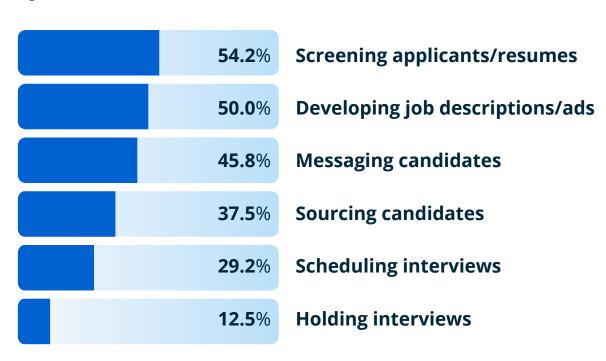
# Are you currently using artificial intelligence (AI) in your recruitment efforts?

Figure 10



#### How are you using Al? (Select all that apply.)

Figure 11



#### **Recruiting Trends**



# Looking Back In the past year...

of employers experienced staff turnover – an 8.7% decrease from 2022.

10.2%

reduced their recruiting budgets, but 48.3% increased hiring.

28.6% hired from within/promoted someone instead of hiring an external candidate.

8.0%

prioritized diversity hiring.

27.0% checked a candidate's social media presence.

7.4%

required remote employees to return to the office.

13.5%

pipelined talent to fill future roles.

#### Looking Forward

What's next for employers on the recruiting front? For the second year in a row, the top trend anticipated to impact hiring was a talent shortage/lack of qualified candidates (70.6%) (Figure 12). Retention struggles have eased slightly (16.0% fewer employers expected difficulty retaining employees in 2023 than in 2022), while expectations of economic uncertainty rose 3.8% year-over-year.

#### In the coming year, which trends do you expect to impact your hiring efforts? (Select all that apply.)

Figure 12

70.6%	A talent shortage/lack of qualified candidates
36.2%	Difficulty retaining employees
35.2%	Economic uncertainty
28.0%	Budgets
10.8%	Increased use of artificial intelligence (AI) tools
9.4%	Salary transparency laws
8.2%	None of these
3.7%	Commitments to DEI



#### The State of Online Recruiting: Job Seeker Survey Results



#### Who's Searching?

Compared to 2022's survey results, fewer job seekers were employed and searching for work actively or passively (46.6%) – an 18.7% decrease. This suggests that more employees are staying put in the wake of layoffs in some industries and the economic situation. Furthermore, 36.9% of respondents were unemployed, a 26.7% increase from 2022 (Figure 13).

#### What is your employment status?

Figure 13

31.5%	Employed and seeking a job
14.9%	Employed and open to new opportunities/passively seeking a job
4.3%	Employed and not seeking a job
36.6%	Unemployed and seeking a job
0.3%	Unemployed and not seeking a job
10.7%	Retired and seeking a job
1.6%	Retired and not seeking a job

Of those seeking a job actively or passively, 20.5% said they were unhappy with their role, 17.5% were unsatisfied with their pay/salary, and 16.0% said they were laid off – a 52.4% year-over-year increase (Figure 14).

Meanwhile, 20.0% of job seekers chose "Other" and wrote in their responses, which comprised a broad range of reasons, including:

- Additional income
- Burnout
- Business is closing/closed
- Long commute
- Contract ended
- Anticipating layoffs
- Familial circumstances
- Need a part-time job
- Recently graduated
- More/different hours
- Advancement opportunities
- Time for a change

# Why are you currently searching for a job? (Select all that apply.)

Figure 14



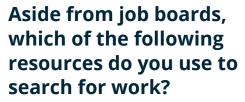


#### **Job Board & Recruiting Platform Usage**

How are job seekers using today's job boards? Nearly half of respondents (46.5%) applied for a job through a job board or recruitment platform in the past year, down from 60.4% who said the same in 2022's survey.

of job seekers applied for a job through a job board in the past year.

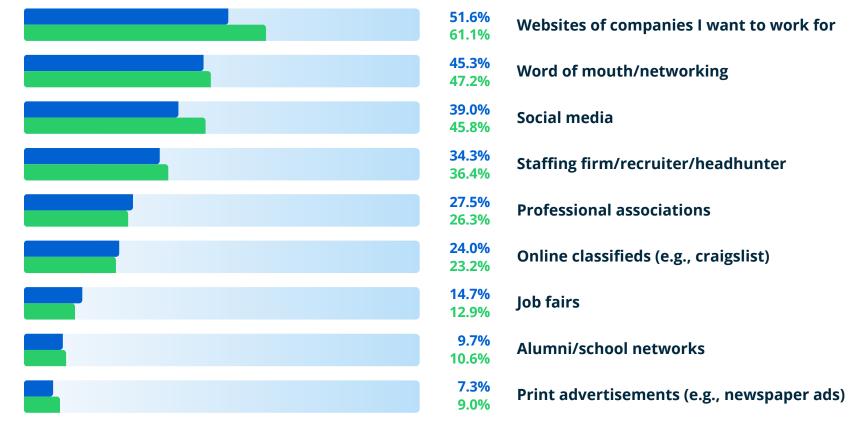
However, job seekers are using a variety of resources to find work in a competitive market – 51.6% of candidates visit the websites of potential employers and 45.3% rely on their networks to lead them to the right opportunities (Figure 15). Social media ranked third (39.0%) on the list of job search resources, but experienced a 14.8% downtick in popularity, year-over-year.



(Select all that apply.)

Figure 15







When using a job board, candidates want features and functions that make their job search more convenient, such as job alert emails (46.9%) and text messages (26.7%), a mobile-friendly site or app (36.6%), and the ability to apply to multiple jobs at once (32.1%) (Figure 16).

Notably, the ability to read reviews about companies from current and former employees was the second-most popular response (38.5%) – although just 7.2% of employers said publishing testimonials was important when using a job board (Figure 5).

#### Which of the following features and functions are most important to you in an online recruitment platform/job board?

(Select all that apply.)

Figure 16

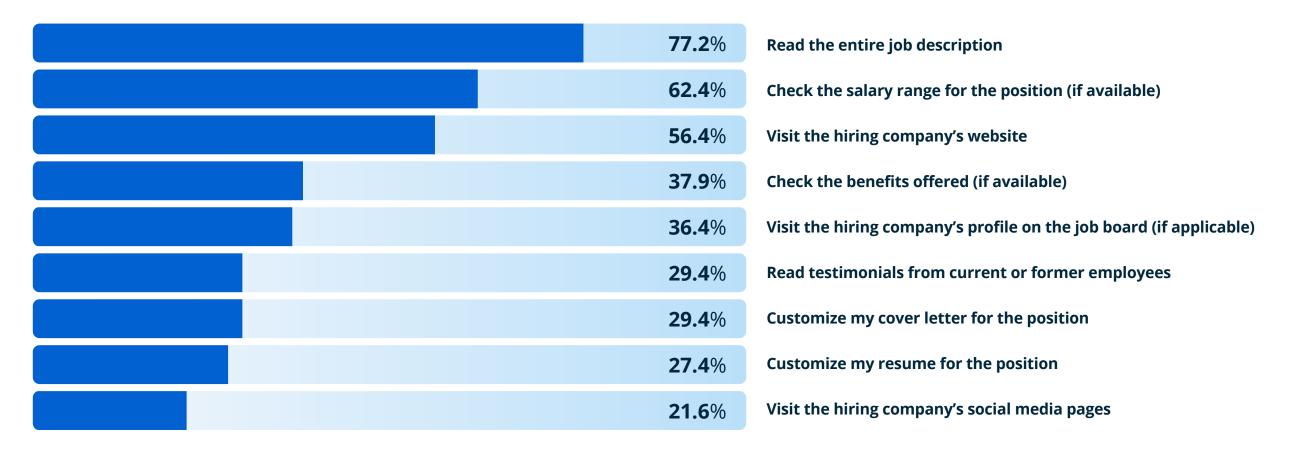


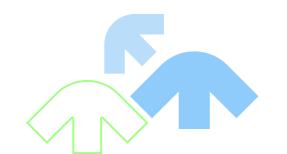


Similarly, 29.4% of candidates said they always read testimonials from current or former employees before applying for a position on a job board (Figure 17). Here's a look at a few other habits job seekers are exhibiting when using job boards:

#### Before applying for a job on a job board or recruiting platform, I always \_\_\_\_\_\_. (Select all that apply.)

Figure 17







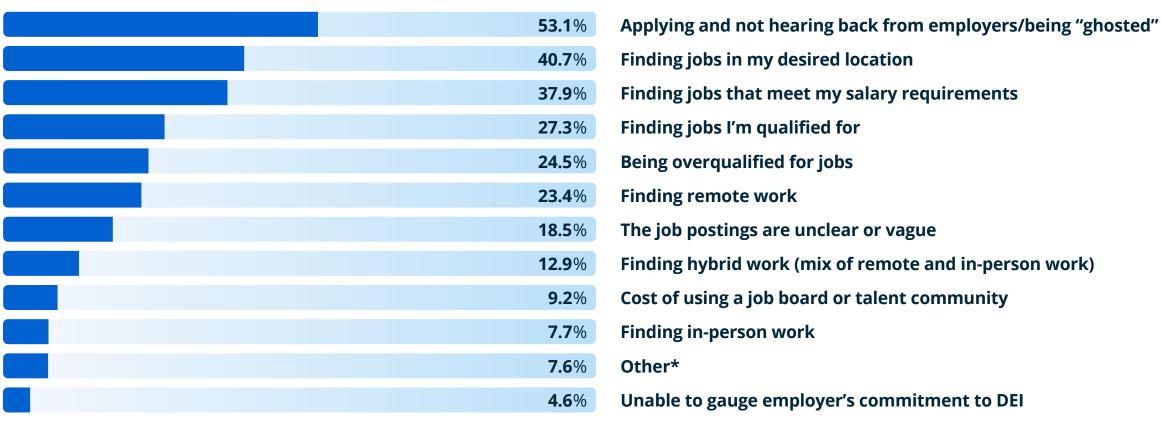
#### **Job Search Challenges**

In 2023, ghosting, or applying for jobs and not hearing back from employers, overtook 2022's top job search challenge (finding jobs in one's desired location) as candidates' biggest frustration (Figure 18). Respondents also struggled to find jobs that meet their salary requirements (37.9%), while approximately a quarter of job seekers worried about being either unqualified (27.3%) or overqualified (24.5%) for positions.

#### When searching for work on an online job board or recruiting platform, what are your biggest challenges?

(Select all that apply.)

Figure 18



<sup>\*</sup>Other responses included ageism, finding part-time work, finding jobs that offer flexibility, and misleading job ads.



#### What Candidates Want in an Online Job Ad

18.5% of job seekers were frustrated with vague or unclear job postings (Figure 18) – so what information do candidates want to see in an ad, exactly? Salary (52.3%) was the top response (Figure 19), followed by an indication of when the employer plans to reach out to schedule interviews (47.4%) and contact information for the hiring manager/recruiter (37.1%).

## Which of the following could employers/recruiters do better to get you to apply for their online job postings? (Select all that apply.)

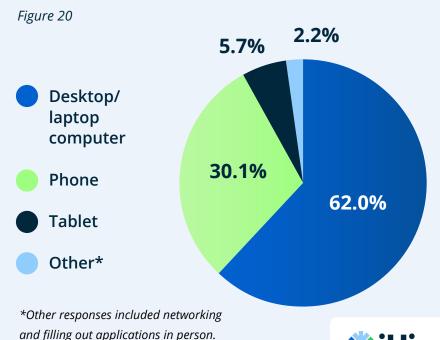
Figure 19



#### **Desktop vs. Mobile**

Candidates overwhelmingly prefer using a desktop/ laptop computer over mobile devices when applying for jobs (Figure 20).

## Which of the following devices do you use to apply for jobs most frequently?



#### **Job Search Trends**





#### **Looking Back**

*In the past year...* 

26.4%

of candidates applied for a job even though they didn't meet the requirements. 9.3%

resigned from a job before they had another one lined up.

16.9%

were laid off from a job.

8.7%

negotiated a higher salary and got it.

11.0%

left a job voluntarily – down from 13.5% who said the same in 2022.

5.3%

ghosted an employer or recruiter.

9.6%

changed careers completely or started a new career path.

2.8%

used AI in their job search (e.g., used ChatGPT to write their resume).

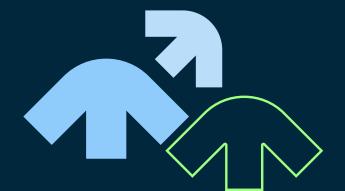
#### Looking Forward

What's next for job seekers? Standing out in a competitive job market (43.1%) and economic uncertainty (39.6%) were the top two trends respondents expected to impact their online search in the next 12 months (Figure 21). Employer ghosting (35.2%) and unrealistic job requirements (33.4%) echoed job seekers' most pressing challenges cited earlier in the survey (Figure 18).

# In the coming year, which of the following trends do you expect to impact your online job search? (Select all that apply.)

Figure 21

43.1%	Needing to stand out from other applicants in a competitive market
39.6%	Economic uncertainty
35.2%	Getting ghosted by employers
33.4%	Employers' unrealistic or overly specific requirements for candidates
23.4%	None of the above



#### **Top 10 Findings & Takeaways**

The following are the 10 most interesting findings from iHire's survey and what recruiting professionals can learn from these statistics to hire more efficiently.



**Employers are bracing for economic change.** 35.2% of employers expected economic uncertainty to impact their ability to hire in the coming year, and 28.0% anticipated challenges with budgets (10.2% already reduced their recruiting budgets in 2023). Further, hiring is down 9.2% year-over-year, and 16.0% of job seekers were looking for work because they were laid off.

**TAKEAWAY:** Proactively prepare for the unknown by hiring smarter – save time and resources by focusing on quality over quantity of candidates, looking for ways to promote or hire from within to fill gaps, and turning to your talent pipeline to hire in a pinch.



**The Great Resignation is easing.** 49.3% of employers experienced staff turnover (down 8.7% from 2022) and 36.2% foresee difficulty retaining employees in the coming year (down 16.0% from 2022). More telling, however, is that 46.6% of job seekers were employed and searching for work – an 18.7% year-over-year decrease – suggesting that more workers are staying put.

**TAKEAWAY:** Keep the employees you have engaged and satisfied to avoid costly turnover. Evaluate how well your benefits, compensation, work/life balance, advancement opportunities, and more are contributing to a positive employee experience, and use "stay" interviews to gather feedback from your team. And, if hiring, engage with passive candidates via a resume database or through your talent pipeline – they may not be searching for new jobs actively, but may be open to a change if you present them with the right opportunity.



A shortage of qualified talent continues to pain employers. It's been a key theme in this report for five years running: Employers struggle to attract qualified candidates. In 2023, 62.6% of employers said they receive too many unqualified applicants – their number one challenge when recruiting online. Further, 70.6% of employers expect the talent shortage to persist in the coming year.

**TAKEAWAY:** Rethink what you believe makes a candidate qualified. While some degrees and certifications are must-haves, what proficiencies can an applicant learn on the job? If a formal education is not necessary, consider skills-based hiring and use assessments and work sample tests to gauge applicants' fit.



**Communication between employers and job seekers is lagging.** Not only were 54.0% of employers frustrated by candidates ghosting them, but 53.1% of job seekers also said the same about employers, selecting "applying and not hearing back" as their top job search challenge.

**TAKEAWAY:** Commit to responding to applicants throughout the recruitment process, including acknowledging their application and letting them know when they are no longer in the running for a position. Take advantage of messaging tools (email and text) many job boards and recruitment platforms offer to streamline communication and improve the candidate experience.



**Salary transparency is paramount.** 62.2% of employers said they always include the salary or salary range for a position, an 8.3% increase from 2022 as pay transparency laws expand. This may attract more candidates, since 52.3% of job seekers said they'd be more likely to apply for a job if the posting specified the position's salary range.

**TAKEAWAY:** Include the salary or a salary range in your job postings. Ensure compensation is competitive and fair by conducting market research – what are the going rates for certain job titles? What are comparable companies in your industry offering?



The recruitment space is slow to adopt AI. Despite the proliferation of readily available artificial intelligence (AI) tools like ChatGPT, just 4.9% of employers said they are currently using AI in their recruitment efforts, such as to write job descriptions or screen resumes. Job seekers were also hesitant to embrace AI – only 2.8% had used tools in their job search (for example, to write their resumes).

**TAKEAWAY:** Explore Al before falling too far behind your competition – these tools are here to stay. Using a content generation tool to save time in writing job descriptions, for example, is a good place to start.



Job boards are employers' go-to recruitment tool, but job seekers' usage has declined slightly. 70.2% of companies said they use job boards/recruitment platforms for all or most of their hiring, and 47.4% said they've increased their reliance on job boards in the past year. On the other hand, 46.5% of job seekers applied for a job through a job board in the past year, down from 60.4% who said the same in 2022's survey.

**TAKEAWAY:** Job boards are just one tool in your recruitment toolbox. Reach the right talent by testing other avenues that job seekers are using to find you. For example, 51.6% of candidates visit the websites of potential employers when searching for work, and 45.3% lean on referrals from their networks.



**Social proof can help attract the right talent.** Candidates want to know what it's really like to work for your company – 38.5% want to read reviews and testimonials from current and former employees on job boards, and 29.4% said they always check out these insights before applying for a job.

**TAKEAWAY:** Turn satisfied employees into brand ambassadors. Collect testimonials (written or even via video) and share them on your website, job board profiles, social media pages, and other recruitment marketing materials. A positive comment may convince that ideal candidate to hit send on their application.



**DEI has slowed as competing priorities grow.** Just 8.0% of employers said they prioritized diversity hiring in the past year. In addition, 21.5% said they always include an EOE statement/DEI information in their job postings, a 27.6% year-over-year decrease, while just 6.9% of candidates said this information would make them more likely to apply for a job.

**TAKEAWAY:** With a talent shortage and tightened budgets, it can be easy to lose sight of DEI efforts. Keep up with your progress by trying diversity job boards, partnering with schools and associations that work with underrepresented groups, adopting skills-based hiring, and using "blind" hiring tools that anonymize resumes.



**Retirees are on the job hunt.** 10.7% of candidate respondents were retired and seeking a job, up from 7.5% in 2022, so it is no wonder that nearly a quarter (24.5%) of job seekers were frustrated by finding jobs they are overqualified for. Additionally, nearly 30 free-form responses to the question, "When searching for work on an online job board or recruiting platform, what are your biggest challenges?" mentioned ageism or age discrimination.

**TAKEAWAY:** Don't forget older job seekers and retirees returning to the workforce in your recruitment strategy and diversity hiring goals. Remove education and work history dates from resumes before screening applicants to avoid bias, offer more experienced workers opportunities to mentor younger employees, and consider allowing part-time work, which many "unretirees" desire.

#### Conclusion

Plenty of unknowns remain for the labor market, but employers still need to ensure they employ top talent to compete and thrive. As we wait to find out what's next for the employment space, organizations can best prepare by ensuring their online recruiting tactics are as efficient as possible – for example, by prioritizing quality of candidates over quantity, building their talent pipeline, and using Al technologies to streamline tasks like job description writing. And, whether or not employers are hiring, they should focus on keeping current staff engaged to avoid costly turnover and enable a more productive workforce.



#### Survey Methodology

A total of 2,683 U.S. job seekers (2,194) and employers (489) responded to iHire's State of Online Recruiting survey in June 2023. Respondents came from iHire's job and job seeker databases comprising employers and candidates across 57 talent communities. All decimal points are rounded to the nearest tenth. For many questions, multiple answers could be selected, so percentages add up to a sum greater than 100%. In some instances, survey questions were skipped by an individual respondent.

#### About iHire

iHire is a leading career-oriented platform that powers a family of 57 industry-focused talent networks, including WorkInSports, iHireVeterinary, iHireDental, iHireConstruction, and iHireChefs. For more than 20 years, iHire has combined advanced job matching technology with our expertise in the talent acquisition space to connect job seekers with employers in their desired sector. With an industry-specific, candidate-centric, and data-driven approach to recruitment, iHire helps candidates find meaningful work and employers find unique, high-quality talent – faster, easier, and more effectively than a general job board. Visit www.iHire.com for more information.







