7 Recruitment metrics to **make your hiring process more data-driven**

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Recruitment needs to be aligned with the wider business mission, vision, values, and objectives to be successful. The best way to achieve this alignment is by setting relevant goals and evaluating success based on these goals. Having the appropriate recruitment metrics in place is crucial to understand the current state of your talent acquisition process, identify wins and challenges, and continuously improve your approach to meet your objectives and achieve operational excellence.

Nowadays technology offers endless possibilities for collecting, measuring, and analysing data. While talent acquisition professionals are spoilt for choice, there is a risk to overuse metrics or even worse to use irrelevant, vague and meaningless metrics. In order to help you measure what really matters, we pulled together a list of the top recruitment metrics for you that will rock your world if you aren't already using them!

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1. Time to fill

Time to fill is the time required to find and hire a candidate starting from the creation of the vacancy and ending with the offer acceptance. It is important because it reveals your hiring speed, which is key to hire top talent.

How to measure:
Make sure you keep track of the time required for each step in your recruitment process. Time to fill is usually measured in days

2. Cost per hire

Cost per hire is the total cost invested in hiring divided by the number of hires. It includes internal and external costs to find and hire candidates. Internal costs include time spent by recruiters and hiring managers, new hire onboarding time, and lost productivity, while external costs can include advertising costs, agency fees, recruitment technology, and new hire training costs. Cost per hire is crucial as it is the only metric that shows the real cost to cover a vacancy.

How to measure:

$$= \frac{\text{External costs + Internal costs}}{\text{Number of hires}}$$

* Make sure you clearly track all direct and indirect costs

3. Quality of hire

Quality of hire measures the performance of your new hires in their first year working with you. There are different ways this can be measured depending on how you define performance, however a widely accepted and straightforward way is using their performance rating. Assuming you have a solid performance management system in place, this method factors in all important quality aspects, such as technical skills, management skills, soft skills, cultural fit, and drive. Quality of hire is also known as the golden metric, as employee performance is proven to be directly related to organisational performance.

How to measure:

$$= \frac{\text{The performance ratings of new hires}}{\text{Number of hires}}$$

4. Early attrition

Early attrition measures the percentage of new hires who leave the organisation within the first year. This can be due to managed attrition, such as involuntary termination or redundancy, as well as unmanaged, like resignation. High attrition uncovers issues such as hiring candidates who aren't the best fit for the role or creating unrealistic expectations about the job and the business. Moreover, high attrition is a costly issue for businesses, so it is imperative to track it closely so that you can take action to keep it to a minimum.

How to measure:

$$= \frac{\text{The number of early leavers}}{\text{The total number of new hires}}$$

5. Candidate experience

Candidate experience measures the feelings, attitudes, and behaviours that applicants experience throughout the talent acquisition process. It is usually measured using a candidate experience survey. Candidate experience is crucial as it is proven to affect a candidate's desire to work for you.

> *How to measure:*
> Request candidates to fill in an experience survey

6. Applicants per opening

Applicants per opening is a metric that measures the average number of applications submitted per vacancy. It is important because it demonstrates the candidates' interest in working with your organisation.

> *How to measure:*
>
> $$= \frac{\text{Simply add all submitted applications}}{\text{Number of roles}}$$

7. Source of hire

Source of hire looks at the recruiting channel that was used for each hire. It is crucial as it demonstrates the effectiveness of your recruitment channels.

How to measure:
In order to measure source of hire, remember to ask candidates how they applied for a role with you

*An important thing to have in mind. When using these metrics, make sure that the data is statistically significant. This means that you have a large enough sample to get trustworthy data. For example, you want to measure the Quality of Hire and you hired 10 people of which 8 has a performance score of 90, and 2 has a score of 10. The average Quality of Hire score is 74 which is misleading since most hires are wonderful performers.

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