

What turns candidates off?

Candidate Experience Values Report



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1. Introduction

Foreword

"We want to improve our Candidate Experience, but we don't know what they care about" is a sentence we've heard all too often in the last few years at Starred, so we decided to do something about it.

Now more than ever, companies want to know what their candidates are thinking and how they can ensure they keep them within their talent pool - or if they choose to not hire them, that they haven't burnt that bridge in its entirety.

So, how do you find out what candidates value within the process, and what do they value about potential employers? Don't worry, we've done the legwork for you and deep dived into our data to uncover some hunches we've had about what makes candidates tick.

The thriving candidate market has brought with it a new breed of candidates; ones who know what they want, who are motivated to get it, and are happy to share their thoughts on their experiences. It has been hard for companies to navigate this new normal, amongst other seismic changes across the globe, whilst still trying to continue to thrive.

I hope that our report helps provide you with a bit more insight into what makes your candidates feel positively about your company, at any stage of their experience, and what areas could be hindering your Candidate Experience excellence goals.

All the best,



Lars van Wieren CEO at Starred

Executive Summary

Drawing on all of our aggregated and anonymized 2021 data, with a total of 329,224 responses, we sought to identify which categories have the largest impact on what candidates value most when selecting an employer. We achieved these insights by calculating the correlation coefficient between these different topics with cNPS (Candidate Net Promoter Score) and compared that with the aggregated average ratings for these topics given by candidates. This revealed the most impactful and relevant areas that affect how rejected and withdrawn candidates view your company. We opted to focus more on rejected and withdrawn candidates rather than hired candidates since these have a high cNPS by default. Focusing on two major groups let us dive deeper into the data and give you more relevant insights.

We found that rejected candidates are most impacted by:

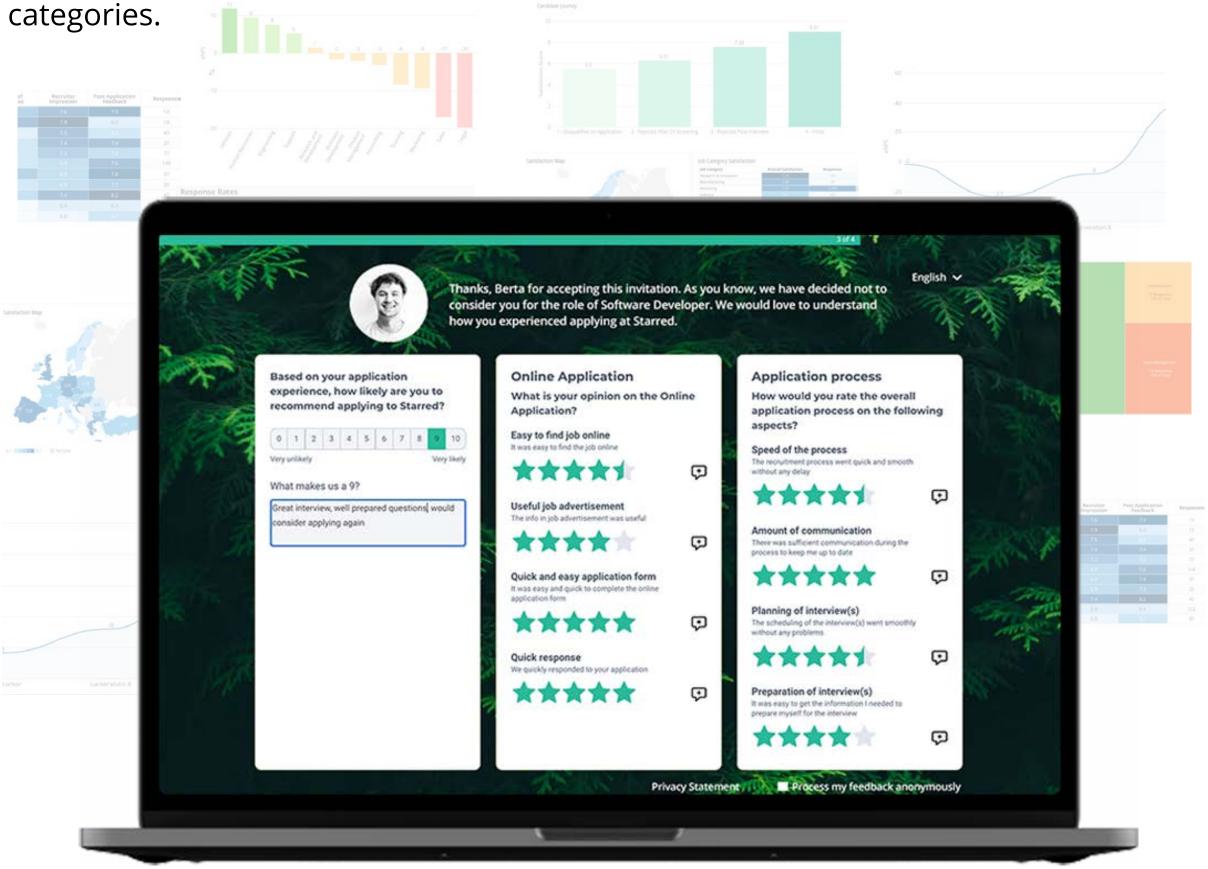
\bigcirc	The feedback they receive

- The quality of your assessment
- The company's D&I policy

Additionally, we found that withdrawn candidates are turned off by:

- Their understanding of the role
- The Employee Value Proposition
- The company's D&I policy

Interestingly, **compensation and benefits** were found to correlate with withdrawal, but had a very weak effect on cNPS. While a candidate may reject you for not offering enough money, it seemingly won't affect their opinion of your company, and you can sway those on the fence by focusing on these other



What is Candidate Experience?

Candidate Experience describes the <u>cumulative experience that your candidates</u> <u>have with your company</u>, from the second they open your careers page to the final stages of rejection, withdrawal, or being hired. It includes all interaction with your company, meaning everything from the clarity of the listing to the ease of application, and, of course, all the interpersonal experiences with your recruiters and hiring managers.

What is cNPS?

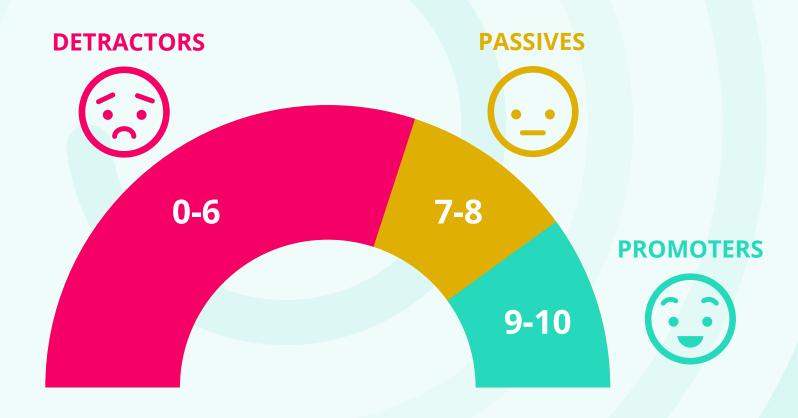
Candidate Experience has a lot of relevant metrics, but NPS is a <u>particularly relevant</u> metric when it comes to understanding your candidates. It stands for Net Promoter Score. Originally used mostly in marketing, NPS is a calculation of the percentage of users who are promoters of your business within their social circles.

cNPS (Candidate NPS) is the same concept, but applied to candidates. Users are divided into detractors (scores of 1 - 6), passives (scores of 7 and 8) and promoters (scores of 9 and 10). NPS is calculated through the formula of (% of promoters - % of detractors), ranging from -100 to 100.

A high cNPS means that many candidates are more likely to <u>enthusiastically tell their</u> <u>friends</u> about your company, even if they weren't hired. Conversely, a low cNPS means that candidates are dissatisfied, and will <u>gladly air their grievances</u> to anybody who will listen. You can view the average global figures for cNPS in our annual <u>Candidate Experience Benchmark Reports</u>.

What is cNPS and how is it calculated?

How likely is it that you would recommend someone else to apply to_?



(Promoters % - Detractors %) = cNPS on a scale of -100 to +100

2. Rejected Candidates: How to Avoid Upsetting Them

Dealing with the fallout from disgruntled candidates who were rejected for a position can be a headache. That's why we've looked through our data to give you a few concise takeaways on how you can prevent rejected candidates from being angry in the first place. The top three categories that turn off rejected candidates are **feedback**, **assessments**, **and D&I**.

Note that these are the combined average results from Starred customers. Individual companies can display different results - the only way to find out is to analyze your own results.



How did we determine these categories?

They were based off of our internal data for all of 2021, drawing on 379,224 candidate responses. We analyzed which types of questions were most impactful on cNPS and where companies had the highest potential for improvement.

Give Constructive Feedback

The most impactful category to improve cNPS is by **providing candidates with clear feedback** on why they were rejected. Feedback has a relatively low average score, meaning that most companies do not supply sufficient feedback to rejected candidates. If you want to boost your Candidate Experience, this is a great place to start.



Our Recommendations

- Give clear feedback and tips for growth: Offer candidates constructive tips on how they can improve their weak points. One of our customers found that their cNPS increased by around 300% after they began to give all candidates constructive tips for growth, in addition to clear feedback about their rejection.
- Follow up quickly: It's important to quickly follow up with candidates after they were informed of the rejection, ideally in the same email. You should aim to clarify your reasons for rejection within 48 hours of informing the candidate why they were not selected.
- Consider partial automation: Draw on your experience and data to create a list of potentially relevant rejection reasons, enabling you to quickly craft a personalized email without sacrificing too much time. Supplement this with short notes taken during interviews or screenings, and you'll be able to give excellent feedback to candidates without having it feel like a boilerplate email template.

Use Clear and Relevant Assessments

One more impactful category is centered on **assessments**. Our data shows that if your assessment is unclear or poorly thought out, candidates will get turned off by your company and are likely to be increasingly frustrated with a rejection. Assessments are good practical examples of what sort of work a candidate can expect from your company. So, if a candidate applies to a position and receives an assessment that is seen as frustrating, convoluted, or poorly explained, then it can quickly sour their Candidate Experience.



Our Recommendations

- Ask for specific feedback on your assessment: You can't improve something if you don't understand your candidates' pain points.

 Directly asking them for feedback especially with open-ended question fields will enable you to understand the best potential areas for improvement, as defined by candidates.
- Have multiple touchpoints with candidates: Collect feedback from your candidates and present it to the relevant team, as well as the hiring manager. Discuss the candidates' concerns with those who are well-versed in the technical requirements expected in the role and decide if modifying the assessment is feasible.
- Review with the hiring manager and relevant team: Collect feedback from your candidates and present it to the relevant team, as well as the hiring manager. Discuss the candidates' concerns with those who are well-versed in the technical requirements expected in the role and decide if modifying the assessment is feasible.

Focus on Diversity and Inclusion

Another impactful category when it comes to rejection focuses on **D&I efforts**. Simply put, candidates care a lot about how Diversity & Inclusion is handled at your company, and if it is clearly not a priority, then rejection will seem to sting more. It also shows up as another significant predictor of lowered cNPS for withdrawn candidates - we'll detail the unique position of D&I in Chapter 4.



Our Recommendations

- Track the right metrics: Understanding your D&I methods requires you to keep track of various related metrics. Consider asking EEOC-related questions or questions about how included a candidate felt. For some more detailed ideas, check out our Inclusive Hiring Guide.
- Communicate with your candidates: Candidates care a lot about how your company views D&I, and whether it is considered a priority. Making it clear that diversity and inclusion matter in your company will help keep candidates satisfied.
- **Drill down into your data:** Looking at your Candidate Experience data in a granular fashion will help you understand where the most relevant areas of improvement are. Is one recruiter ranking below others in D&I?

How could this work in practice?

To illustrate just how important these categories are, let's put our findings to a practical example. Imagine this: you're a driven Talent Acquisition manager at a large company called ACME. You're scaling up your business, and hiring many candidates for a number of positions.

You've gone through about a hundred candidates for a few positions, and the vast majority of them are rejected. Diving into your metrics, you realize that your cNPS for rejected candidates is sitting at a worrying -47! That's well below the average of -1 cNPS, drawn from our Candidate Experience Benchmark Report 2021.

Breaking down your data further reveals that you have 17 promoters, 19 passives, and 64 detractors. The vast majority of your candidates aren't just unhappy with the process, but are active detractors, and will hurt your reputation within their social circles, as well as online.

Your average rating on feedback-centered questions is sitting at 6.3. It's clear that your candidates are left wondering why they're rejected. However, your strong D&I policy is viewed favorably, receiving an average rating of 7.9. Your assessment is sufficient, but could do with some adjustments, with an average rating of 7.3.

cNPS rejected candidates



64% 19% 17%

DETRACTORS

PASSIVES

PROMOTERS



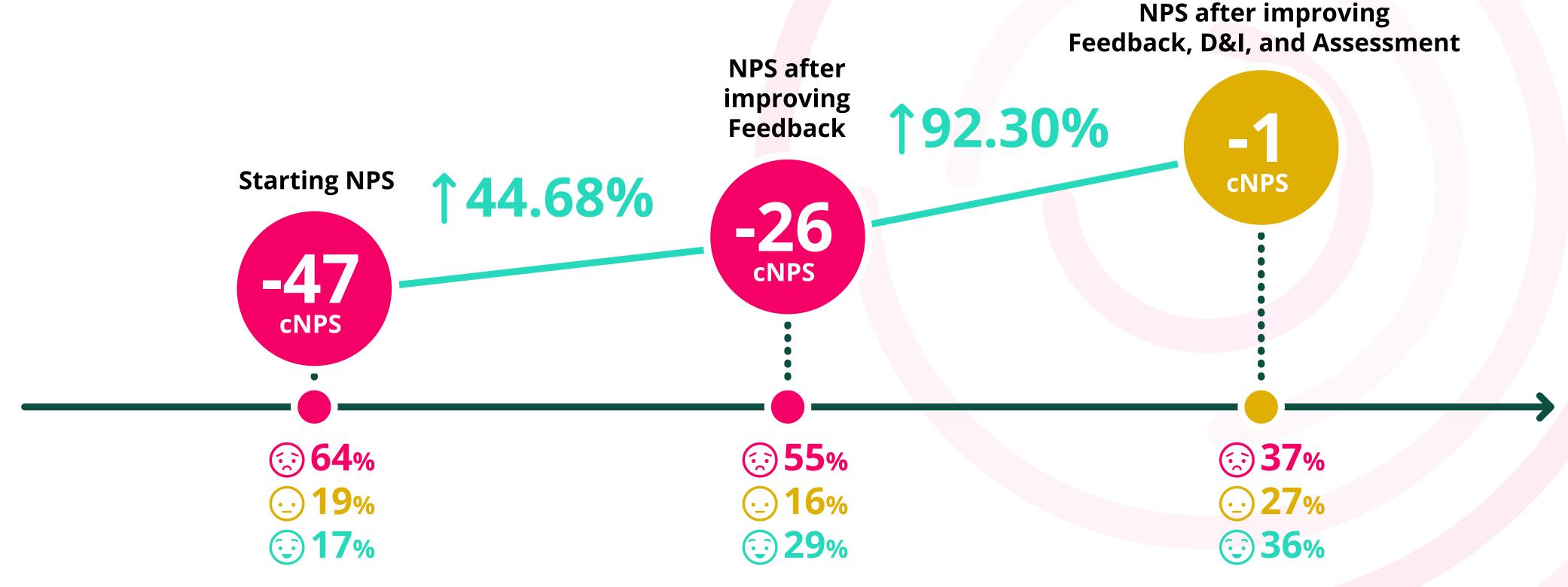




It's time to take candidates' opinions into account. You start by ensuring that every candidate receives adequate feedback explaining why they were not selected. Your assessment is tweaked according to candidate feedback, and your strong D&I policy is continuously reinforced.

Boosting feedback has the single largest impact on your NPS, and raising your average to 8.5 has caused a rapid rise in cNPS to an acceptable **-26**, a jump of

+21 points. Once your assessment is properly tweaked, and your D&I commitments are front and center, both averaging around 8.5, your cNPS continues to increase, hitting the average of **-1**, up by **+46 points** from the original -47. By improving these three specific areas, you were able to reach the average -1 cNPS of rejected candidates from other companies which is a significant jump of 98%.



3. Withdrawn Candidates: What drives them away?

So picture this; you've found the perfect candidate, with the right experience and they are a brilliant match with your company. You screen them, all is well. They attend the first interview, the hiring manager is sold...but then the candidate withdraws.

We know how much effort goes into resourcing candidates for roles, especially the highly competitive and technical roles we are seeing increasingly become more scarce, and when they withdraw, out of the blue, it can be really disheartening. So how do you get to the bottom of this?

Companies need to think—and prepare— differently to win in the talent market.

Unexpectedly, it's not all about compensation and benefits.

Topics withdrawn candidates care most about were: **Diversity and Inclusion, Employer Value Proposition (EVP)** and **Understanding of the Role**.

Here's what our research reveals.



Diversity and Inclusion

People buy into people, and the current workforce buys into a diverse and inclusive workforce. Our findings show that of all the reasons candidates would withdraw from the process, Diversity and Inclusion was one of the most prominent reasons. This is especially important when you compare it with how candidates value Diversity and Inclusion more than compensation and benefits.

In a recent Gartner report, 70% of Latinx, Black, BIPOC and Asian candidates said they had stopped an application short in the past year because their preferences didn't align to the role. That compares to 60% of white Americans. Racially diverse candidates attributed their behavior to two major factors: The diversity of the team and the management style of the potential manager.

When it comes to Gen Z, diversity matters to them through many dimensions, not just related to race and gender. In fact, Gen Z is the most likely generation to have a range of people identifying as non-binary. To attract this new wave of younger talent, it simply won't fit to have an undiverse company. In fact, to attract any talent you need to be committing to Diversity, Equity and Inclusion.

Our recommendations:

- Measure what you don't know: Make sure you're looking into the data. Include EEOC or demographic data in your analyses. Don't just focus on the percentages on the job application, drill down the entire process from beginning to end to understand if you're missing signs of unconscious bias.
- Hire a DEI consultant: You can't be expected to know everything, so if your budget permits then look to hire someone who can help you commit to certain goals.
- Share what you're doing on your external platforms: So you're doing the right thing, don't forget to share it with potential candidates on your channels.

Employer Value Proposition

Your employer brand has never been more important. Much like with D&I, people care about who they work for. This can come down to wanting to work for a values and purpose driven company, or rejecting a company that has faced huge backlash for poor practices and disrespect for their employees.

It's also important to keep in mind the impact the pandemic has had on people's evaluations on work. Many people during the pandemic had a lot of time to reflect on what they wanted, and as such resigned to find a role that aligned with their beliefs and values more. They could be seeking a role that suits them on a culture level, providing training to younger employees to help them grow, through to wanting to work for a company that cares about the great good, for example B Corp companies.

This is even more so relevant for Gen Z. In fact, according to a recent report released by Deloitte 'The core values of the generation are reflected in their prioritizing social activism more than previous generations and in the importance they place on working at organizations whose values align with their own, with 77% of respondents saying that it's important.' EVP also applies to concepts like remote work. Consider Airbnb, who recently announced they will be going fully remote, and their career page received 800,000 visitors as a result.

Your employer brand goes further than just values though - be careful to protect it against potential harmful reviews, from both potential and current employees.

Our recommendations:

- Ensure your employer brand remains protected: If your candidates have a good experience, there is no reason they'll share poor experiences. With Starred, you can encourage happy candidates to share reviews on Glassdoor. A 9 or 10 NPS rating triggers an automated request to the candidate. Alternatively, when a candidate gives a low NPS rating, you can set alerts so you can reach out before they vent on Glassdoor or other review sites.
- Understand your candidates and your employees: What do they care about, and is your business aligned to this? For example, environmental causes or D&I. Dedicate a section on your career pages to volunteering, or other kinds of contributions to causes your company is invested in.
- Communicate it: Share it with the world a brand that does this well is Monzo. They share what they stand for, how their employees are treated and any new initiatives they have to get potential employees excited to work for them.

Understanding of the Role

As a candidate there's nothing more upsetting than thinking you've found the perfect role, but then finding out the role is completely different to how you had understood it. So, perhaps, it's no surprise that this was one of the top three reasons candidates withdrew from the process.

For both recruiter and candidate, this is important. It needs to be an equal playing field where each party knows what is expected of them and there isn't any confusion down the line, wasting both time and effort on both sides.



Our recommendations:

- Understandable job descriptions: Say what you want, what you expect from this person and what the role will entail without relying too much on jargon.
- Be clear in the screening: Be open and honest about the role, the compensation, and anything else the candidate wants to know. The more information you can provide, the sooner you know whether your dream candidate is met in their expectations. With this knowledge you can make better informed offers that will see a higher acceptance rate.
- Work closely with the hiring manager: Make sure the hiring manager prioritizes filling his, her or their team's positions from start to finish. In practice, this means that you're working with the best and most informative job description possible. Additionally, it is crucial that the hiring manager is highly accessible for questions and answers them within 24 hours.

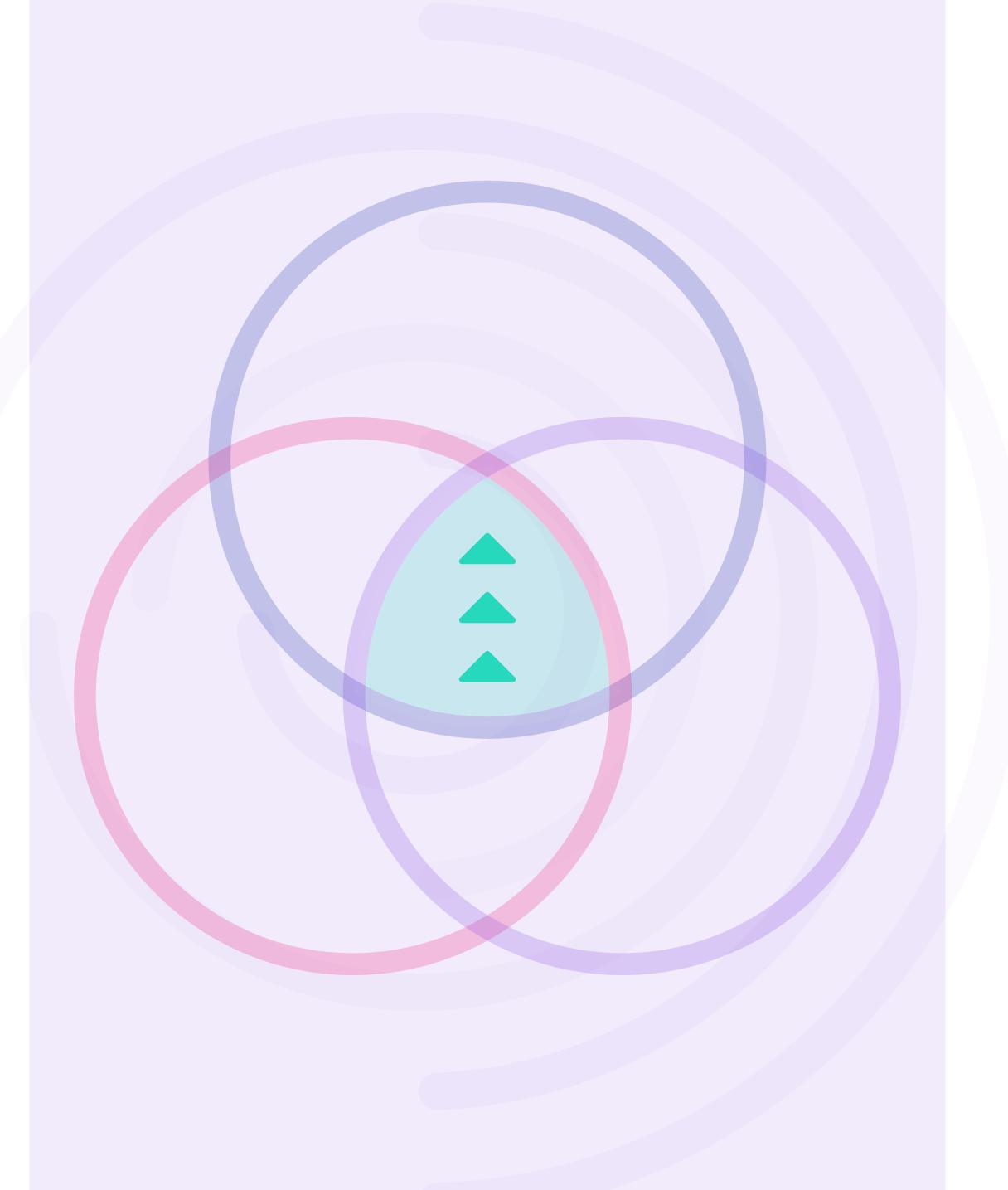
The power of three: combine improving all three topics together and increase Candidate Experience

Withdrawn candidates <u>consistently give higher cNPS</u> ratings than rejected candidates. This makes individual scores by topic to be higher in general. Therefore, when we pick one topic (Employer Branding, for example) and only improve that topic in our model - when it already has a high rating - it doesn't have much impact on cNPS, even if that's something the candidate really cares about when selecting a future employer.

So, for optimal results and overall impact on your cNPS for withdrawn candidates, we recommend aiming to combine all three to improve Candidate Experience. This is not an easy, one off process because of the average high scores revealed in our data.

Reducing withdrawal rates = increasing acceptance rates

Now that you are aware what withdrawn candidates care about most, you can start implementing the improvements step-by-step. Our assessment is that if you'll start to appeal more to your candidates' values you can reduce withdrawal rates and increase acceptance rates in the long run.



A word on Compensation and Benefits

Our results regarding Compensation and Benefits were especially interesting, in that it didn't stand out too much. Compensation was found to have a very weak effect on Candidate Experience, while the other categories were much more impactful. Even if you don't win the desired candidate for the job, you can still turn them into a promoter by excelling in these other categories.



4. Diversity and Inclusion, a recurring theme with Candidates

Whether candidates withdraw, are rejected or hired, our data shows that one thing remains the same...they all care about how a company is committed to Diversity, Equity and Inclusion.

It's no surprise that our current workforce cares about Diversity and Inclusion in a big way, even more so as people increasingly choose their companies based on how they align to their beliefs and values.

A diverse team attracts a diverse workforce. <u>A Deloitte report</u> shows that 80% of people say inclusion is important when choosing an employer, and 39% of people would leave an employer because of poor policies.

So, if your company appears to be lacking diversity, and not even trying to rectify this, it's likely you might be struggling to hire the people you want for your organization. For candidates, especially those in the demographics, it's hard to envision themselves in a company if there isn't any variation in the workforce at present.

At Starred, we're incredibly passionate about Diversity and Inclusion. We encourage our customers to ensure they're tracking the right metrics to make

sure they aren't falling short on their DEI goals. We offer granular insights so you can target improvements on multiple levels - from an individual recruiter to a team or even country level.



5. Conclusion: What can you do?

To turn detractors into ambassadors among your rejected candidates, you need to:

- Focus on transparency and openness during the hiring process, and give candidates **constructive and personally relevant feedback**. Consider giving them good tips, and remember to personalize your messaging from your notes and templates, with a rapid follow up.
- Remember to take candidates' opinions into account when it comes to **your assessments**. Ask the right questions, and be willing to hear their answers. Discuss these with your team and hiring manager, and remember to interpersonally interact with candidates before sending an assessment.
- Track the right **D&I metrics** and ensure that your D&I policy is front and center. Communicate this with candidates, and drill down into your Candidate Experience data to ensure that this topic is being addressed correctly.

To reduce the amount of candidates withdrawing, you need to:

- Ensure you are **actively working to create a diverse work environment** to attract new talent into your business, and this is even more important for Gen Z employees.
- Protect and enhance your **employer brand and EVP** to represent your values and how you treat your employees to ensure it's not negatively impacting your brand
- Now what you expect from candidates and **communicate this clearly**, because if you don't understand and share what you expect from the role then neither will they. You'll run the risk that many candidates will likely drop out of your process.

6. About Starred

What is Starred?

Starred is a <u>Candidate Experience insights platform</u> that offers recruiters and hiring managers a deep understanding of how their candidates feel. We help TA teams in automating the collection of Candidate Experience data, complete with data-driven insights and actionable recommendations. These insights enable recruiters to <u>optimize their hiring process</u>, make candidates feel heard, and improve your Candidate Experience. We're proud to work with many different customers, like these:

















COHESITY

Klarna.

Robinhood P

crunchbase

What is our product?

Starred allows you to collect, measure, and analyze Candidate Experience data at scale, removing the manual elements of this process. We let you craft <u>fully customizable surveys</u> and easily send them out to candidates at every step in the hiring process. Our platform lets you understand where your company stands in comparison to <u>the global average</u> and provides you with <u>personalized recommendations</u> on how to improve your Candidate Experience.

7. Appendix

7.1 Methodology

Using our 2021 data, we analyzed 379,224 individual candidate responses and looked for trends. We segmented the data according to journey type (rejected or withdrawn) and then analyzed the correlations between cNPS and average ratings of different categories which are coined question labels on our platform. We also looked at the existing figures, and created a practical model based off of the global average and the trends we had identified. This allows us to see the data-driven cNPS increases when individual categories are improved to a given value (we used a rating of 8.5). We then collected our insights, and presented them to you in this easily consumable report.

7.2 Categorizing feedback: what are question labels?

Question labels are the tool we used to determine the important feedback categories we discussed in this report. Candidate Experience is a broad topic, and these question labels are used to narrow down and categorize the large amounts of data we process.

7.3 Why are question labels important?

Question labels matter because they enable us to break down data in a more granular fashion. You may be familiar with our annual <u>Candidate Experience</u> <u>Benchmark Reports</u>, which give us a window into how companies are performing on Candidate Experience at different stages of the Candidate Journey. Question labels are an extension of these insights, enabling us to give you data-driven insights on what categories of questions have the largest impact on your NPS.

We're proud to have <u>fully customizable surveys</u>, making sure we enable our customers to collect Candidate Experience data with no limits. Question labels allow us to categorize and organize this free-flowing structure in a way that enables us to make conclusions based on big data, like those found in this report.

Here are the question labels. You can read more about them <u>here</u>.

Inclusion

Did the candidate feel respected during the interviews?

Employee Value Proposition

Did the candidate gain a good understanding of the culture, values and company mission?

Feedback

Was the candidate provided with a clear explanation of why Company X chose not to move forward with their candidacy?

Application

Did the candidate have a smooth and easy application process?

Compensation & Benefits

Did the candidate find the total compensation and benefits satisfactory?

Scheduling & Planning

Was the scheduling of the interviews handled well?

Onboarding (can be used for candidates or fresh hires)

Did the candidate feel they had tasks that could be immediately started?

Assessment

Did the candidate find the assessment to be well structured and appropriate to their position?

Preparation

Did the candidate find the interviewers they spoke with to be prepared?

Engagement

Did the candidate find the interviewers they spoke with to be engaged and interested in their application?

Screening

Did the candidate find that the recruiting team managed their expectations of the process and timeline well?

Understanding the Role

Did the candidate have a clear understanding of the role they were interviewing for?

Communication

Did the candidate feel that the recruiting team communicated with them with sufficient frequency?

Interview

Did the candidate find the general interview atmosphere to be pleasant?

Ease of Use (for tools)

Did the candidate find the technical tool used during the assessment to be easy to use and accessible?



A final word from our side - our recommendations are based on the average scores from our 2021 data set. While many companies share similar practices, there are also many differences. It is possible that you notice different correlations between NPS and categories than what we shared in this report. Simply put - what turns off candidates in general may differ from your specific situation. Our advice? Start analyzing your own Candidate Experience data to make sure you focus on the relevant improvement areas for your company.

If you want to start measuring your Candidate Experience to uncover hidden insights, book a discovery call to discuss how you could utilize Starred.



https://starred.com