ATS Sourcing Data – 83% Inaccurate

Having spent hundreds of thousands of dollars on an Applicant Tracking System (ATS), HR Executives wrongly assume that the sourcing data has some resemblance to reality. Yet 5 out of 6 Candidates enter inaccurate data.

Executive Summary

What may come as a big surprise to HR and Staffing management is the gross inaccuracies of most Applicant Tracking Systems in reporting source of hire information. Whereas a few ATSs use sophisticated tracking tags, the majority rely solely on basic drop-down boxes to obtain "face-value" data from applicants who apply for their open positions.

Job boards are finding an overwhelming discrepancy in the number of applicants sent to a company's ATS and the total recorded by the ATS reports. It follows that many companies are basing their vendor choice of job boards on highly inaccurate data, which is so far from reality that they are useless and damaging. Companies are unwittingly making strategic job board selection decisions on highly flawed data. They are in danger of underutilizing their most successful source of hire in favor of less focused vendors.

AllRetailJobs.com, the leading retail job board, conducted an in depth study to assess the validity of drop-down boxes, used by many ATSs to list possible sources of hire. By simulating the typical drop down box format, candidates were asked to select the source of hire. This question was posed to more than 60,000 retail candidates when they filled out applications for jobs on AllRetailJobs.com. As all the candidates applied directly from AllRetailJobs.com, 100% should have chosen AllRetailJobs.com. Yet 5 out of 6 candidates selected alternative source options – a staggering 83% inaccuracy.

This problem can be resolved if ATS vendors enhanced their software with automated tracking tags. This will accurately record the source of hire and not rely on the applicant's response as the way to measure a particular campaign and return on investment.

The required upgrades will incur cost and time for ATS vendors. Naturally, from their point-of-view, if very few of their customers are asking for changes, then why exert the effort? Unfortunately, few corporate executives are aware of the problem. Having spent hundreds of thousands of dollars on an ATS, they assume that the reports are accurate. So they neglect to ask for upgrades and continue to base their vendor decisions on highly flawed information.

This paper outlines the study program and its results, the possible causes for candidates to enter fallacious data, and a recommended course of action to correct this situation.

Candidate Sourcing Discrepancies

Applicant Tracking Systems (ATSs) are becoming more and more popular among employers and recruiting firms to manage applicant and job information. Whereas these systems provide a method for companies to track the recruiting progress of applicants, most ATSs fail miserably when it comes to providing source of hire metrics.

As companies typically spend hundreds of thousands of dollars implementing Applicant Tracking Systems (ATSs), the staffing managers can be forgiven for assuming that the sourcing data reports have some resemblance to reality. However, a key issue being addressed by the International Association of Employment Web Sites (IAEWS) is the overwhelming discrepancies between the numbers of candidates applying to their jobs from niche job boards compared to the results reported by their clients' ATSs.

Impetus for the Study Program

With the increasing use of ATSs by retailers, AllRetailJobs.com found that ATS reports were only identifying a fraction of the number of candidates applying from its board.

- One client expressed concern that she had received very few resumes from AllRetailJobs.com. AllRetailJobs.com sent her the names and links to more than 25,000 retail candidates who had applied directly to jobs listed on its board. She immediate renewed her contract for another year and vowed to upgrade her Applicant Tracking System.
- Another client believed that he had only hired a few candidates from AllRetailJobs.com. He was kind enough to analyze the hiring data in more detail. More than 20% of all hires came from AllRetailJobs.com.

The Study Program – Methodology

AllRetailJobs.com created a replica of the typical ATS drop-down box to address the question "**where did you hear about this job?**" This question was posed to retail candidates when they filled out applications on AllRetailJobs.com. The form tracked the actual sources, (using 100% accurate tracking tags) as well as the candidate's selected source.

The survey question format was displayed in a drop down box to the candidates as illustrated below:

How did you hear about this job? ---- SELECT ONE ---- ▾

The options on the menu included:

About.com	From a friend/associate	New York Times
AJB / America's Job Bank	Google.com	Newspaper ad
AllRetailJobs.com	Highway billboard	Oodle.com
Amazon.com	HotJobs.com	Radio ad
America Online	Indeed.com	TopUSAJobs.com
Blogger.com	JobsInLogistics.com	Television ad
CareerBuilder.com	LocalCareers.com	Yahoo.com
Corporate website	Monster.com	Other
Craig's List	MSN.com	

From this survey, AllRetailJobs.com collected and analyzed the results of 62,908 active applicants.

Results

As all candidates were applying for jobs from AllRetailJobs.com, 100% of the candidates should have selected AllRetailJobs.com. However, the results of the survey differed significantly:

- 17% of candidates chose AllRetailJobs.com as their source
- 34% of candidates chose another source
- 49% of candidates chose not to indicate a source or chose "*other*"

For those candidates selecting another source:

- Some chose Yahoo or Google. These search engines may well have been where the candidates originally started their source and clicked onto AllRetailJobs.com, which appears naturally in top positions for retail keywords.
- Some selected partner sites, such as TopUSAJobs.com, on which AllRetailJobs.com cross-posts its clients jobs to increase the amount of applications.
- Some chose generalist sites, such as Monster, CareerBuilder or HotJobs, even though none of the candidates came from these boards.
- And, as an indicator that candidates show little concern about the accuracy of their selection, several hundred candidates selected highway billboards, television, and radio and newspaper ads as their source.

Why don't drop-down menus provide useful data? Shouldn't the candidate know where they heard about the job?

There are many reasons candidates provide incorrect data when asked where they heard about the job. Even the most intelligent candidates are faced with a conundrum when asked this question.

Here's an example: A candidate uses AOL as a service provider. She types in Google.com to search for a job. She finds a site called TopUSAJobs.com and performs a job search. She finds a job that matches her experience and decides to apply. The job was cross-posted from AllRetailJobs.com, which leads her to the application form on the corporate website.

Skill Testing Question: Should she put her source as AOL, Google, TopUSAJobs.com, AllRetailJobs.com or the corporate website? All five of these options played a part in her application. It is not her responsibility to know that the only reason she was able to find the job is because it was posted on AllRetailJobs.com in the first place. Her responsibility is to send a qualified application to the career opportunity in which she has an interest.

There can be many other reasons that candidates do not provide the correct source when asked:

1. They don't remember (some ATSs ask "where did you hear about this job" on the tenth page of the application) and some companies rely on information gathered during an interview, which can be several weeks later.
2. Some ATSs don't even have the site in their drop-down list. One major corporation listed the board JobsInLogistics.com as "Jobs and Logic" for months before the recruiter persuaded the ATS to make the necessary change. It was subsequently changed to Jobs in Logic.
3. Some ATSs have a confusing drop-down list with dozens or even hundreds of sources, sometimes not even in alphabetical order.
4. Some ATSs require a primary drop-down list followed by a secondary drop-down list, making it very difficult for the candidate to even find the site they were last on.
5. Some ATSs expect the candidate to type in their source - the first instinct for many candidates is to type in "internet" or "online", not a website name.
6. As the completion of the drop-down box is not mandatory on some ATS, the candidate may simply skip this question.
7. Many candidates will assume their "source" was where they started (such as Google, Yahoo, MSN)
8. Some candidates may search on multiple job boards and not remember which one they were just on last.
9. Some candidates do not want to reveal their source, so will often opt to choose no source or friend/associate, etc.
10. Some candidates want to pander favor by appearing dedicated to the company. So they choose the corporate name. After all this is where they are applying on the ATS.
11. Some candidates choose entirely unrelated sources (such as Highway Billboards), and nobody knows why.
12. Apathy prevails - instead of wading through dozens of options, which to them are irrelevant to applying for a position; they may simply click on "other" or the first source that comes to mind.

The solution that ATSs want to keep secret

The solution to proper tracking is to implement "tracking tags". These are tags appended to the end of an application URL so that the referring site can tell the ATS that "this candidate came from our site". The ATSs would then save this tag as the source, which would then give 100% accuracy for online candidate sourcing if implemented properly.

So why don't ATSs do this?

Supporting tracking tags requires development, but does not provide a new source of revenue for ATSs that don't support them. So it is looked at as an unnecessary expense. It is much easier for the ATSs to convince companies that drop-down selection sourcing works just as well. However, as the statistics above prove, drop-down sourcing reports may be only 17% accurate. What company bases budget decisions on data that is 83% inaccurate?

How can this be fixed?

Companies need to be educated about the importance of using tracking tags rather than drop-down menus for sourcing statistics. They need to put pressure on their ATSs to support tracking tags. Without this pressure, ATSs will never support them and will continue to claim that their antiquated drop-down tracking methods provide accurate data. Companies should check to see which ATSs support tracking tags and use this as key criteria in their selection process.

What benefits would companies reap when this issue is fixed?

Companies will have fully accurate sourcing data, which will allow them to effectively make their online recruitment budgeting decisions. They could then verify which boards delivered the best candidates, leading to better purchasing decisions and resulting in less money spent and more qualified candidates.

About the Author

Jake Firth is a pioneer in the online job board industry. As Chief Technology Officer and Co-Founder of JobsInLogistics.com, AllRetailJobs.com, and TopUSAJobs.com, he has established and rigorously kept each job board in the #1 position in their respective industry.

JobsInLogistics.com, the first job board for the logistics, transportation and distribution professions, was founded in 1999. In 2001, AllRetailJobs.com was created to target the retail industry. Now in the seventh year of operation, these online job boards dominate the logistics and retail fields providing the highly qualified candidates for the retail industry, from store operations to logistics and distribution. In 2002 TopUSAJobs.com was launched. Now in its fourth year of operation, TopUSAJobs.com, the first and largest cost-per-click Job Board, has increased its listings to more than a million career opportunities. These are all performance based job listings and not an aggregate of jobs spidered from the Internet. Along with its network of job boards and affiliate sites, TopUSAJobs.com attracts several million candidates to view and apply for a variety of job categories -- ranging from hourly and entry-level jobs to $100k+ senior executive opportunities.

JobsInLogistics.com is the #1 online logistics job board and winner of the Weddle's User's Choice Award for 2006. JobsInLogistics.com is a Charter Member of the International Association of Employment Web Sites. It signifies the Sources of Success on the Web.

AllRetailJobs.com is the #1 retail job board and the only retail job board selected for the Weddle's list of leading job boards. AllRetailJobs.com is a Charter Member of the International Association of Employment Web Sites. It signifies the Sources of Success on the Web.

TopUSAJobs.com, a pioneer of cost-per-click job boards, has set the standard for excellence by receiving the Weddle's User's Choice Award for two consecutive years, 2005 and 2006. It is the only cost-per-click job board ever to receive this prestigious award.