

The State of Internal Recruiting 2021



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The State of Internal Recruiting 2021

If you've been even tangentially exposed to recruiting or talent acquisition for the past few years, there are a few recurring themes that continually dominate the dialogue.

We talk a lot about sourcing, nurturing, and engaging passive candidates; building a cohesive and compelling employer brand and employer value proposition through recruitment marketing, and, perhaps most pervasively, about how to build a data-driven recruiting strategy around meaningful metrics and actionable analytics to demonstrate both recruitment ROI as well as create alignment with the business and bottom line.

What has largely been absent from these conversations, conspicuously so, is the most salient solution to these perennial problems: internal recruiting.

This isn't to say that most employers aren't aware of the importance of talent mobility; most recruiting leaders, as well as the hiring managers and executive leaders they support, rightfully recognize internal recruiting as imperative to not only hiring success but business success, too.

This is underscored, unlike so many highly abstract and largely anecdotal talent acquisition topics, by enough empirical data and quantitative evidence to render any argument against focusing on internal mobility more or less moot.

Internal hires have always been the top source of hire irrespective of company size, industry, or market.



Inside Edition: the Paradox of Internal Recruiting

Despite the seismic shifts that have inexorably altered the recruiting and hiring landscape almost beyond recognition over the past 20 years, internal recruiting has remained the top-performing source of hire for enterprise employers every year since 2001 – and by a significant margin, too.

Over the past two decades, in which we've seen talent technology move from faxed resumes to automated screening, from Rolodexes to LinkedIn, the fact is that when it comes to internal recruiting, the more things change, the more they remain the same.

Hiring the right talent for the right job at the right time has become infinitely more complex, the market for top talent exponentially more competitive and cutthroat.

This has led to a proliferation of platforms and point solutions, recruiting software and talent systems, each designed to create some sliver of competitive advantage in the escalating arms race that is recruiting today.

Employers spend an estimated \$40 billion a year (that's billion, with a "b") on talent technology every year, with a disproportionate amount spent on job advertising, direct sourcing, and other front-of-funnel-focused activities.

The overwhelming majority of talent acquisition resources, processes, and best practices all focus on continually building a pipeline of external candidates, despite the fact that almost all recruiting remains more or less just in time, all the time.

Top talent has a short shelf life, yet we spend so much effort trying to keep these candidates engaged and actively interested in job opportunities as a contingency plan for future reqs and possible open roles.

This is an exercise in futility; even the strongest pipeline will inevitably start leaking before those eventualities happen, if not burst completely.

Your Org Chart is the Only Talent Community That Matters

We talk a lot about the concept of "talent communities," which, let's face it, in the argot of CRM is just a fancy way of referring to the database of unsuccessful candidates and unqualified applicants most organizations continue, to bombard with job alerts, newsletters or some sort of similarly worthless employer brand-related email campaign which is targeted primarily at precisely the kind of applicants recruiters actively avoid.

Here's the reality of recruiting: when it comes to successfully making hires as efficiently and effectively as possible, there's truly only one talent community that matters. And that's your current employees.

All of which begs a few questions: why do so many employers make internal recruiting so difficult? Why do so many recruiters lack the same access or visibility to internal candidates as they do external ones?

And why do talent organizations continue to overlook their most successful source of hire, even as employer demand and the skills gap are already well outstripping the supply of qualified workers?

We were wondering the same thing. This is why we decided to ask several hundred of our professional colleagues and clients what, exactly, was going on with internal talent acquisition today.

The result is this 2021 State of Internal Recruiting Report. What we found was that, after literally decades of existing more or less at the talent acquisition margins, it seems that the status quo might finally be shifting when it comes to internal recruiting and hiring.

The following white paper will break down the numbers and try to provide some data-driven insights into the current state of internal recruiting, as well as what the renewed focus on mobility means for the future of recruiting and hiring.

But it's a pretty good bet that whatever that future may hold, internal recruiting will remain comfortably on top of every other source of hire out there, just as it has every year for the past twenty years.

Read on to learn more about how to leverage internal recruiting to make the world of work, and your workforce, work better.



Internal Recruiting During a Pandemic



It's become something of a cloying cliché to refer to these as “unprecedented times,” but in recruiting, the new normal is, in fact, anything but.

While the consensus seems to be that there's a light at the end of the COVID-19 tunnel (at least in Europe and North America), it's another story entirely for employers. The overwhelming majority of enterprise employers continue to struggle with the acute staffing symptoms that unexpectedly ushered in with the onset of the pandemic.

With businesses of all sizes forced to tighten belts and budgets over the past year, employers everywhere have been forced to make some tough decisions around recruitment and retention, with many organizations opting to implement furlough schemes, introduce redundancies or resort to some form of reduction in force.

Despite the best introduction of such initiatives as the Coronavirus Job Retention Scheme or the Job Support Scheme in the United Kingdom, which have protected fully 11M British jobs since the onset of the pandemic, an estimated 2.6M UK workers claimed Jobseeker's Allowance last month, evidence of the persistent and pervasive effects of COVID-19 on the labour market.

Even today, with unemployment in the UK down to a pandemic era low of 4.8%, the ONS still estimates that fully 1 in 20 British workers who are actively looking for a job are unable to find one. And that's even before the CJRS is set to expire at the end of September.

Consider that just one year ago, in June 2020, US unemployment reached a staggering 11.2%; as hiring reached its nadir last summer, few functions proved as hard hit as talent acquisition, where an estimated half a million US recruiters turned over within six months – representing almost one-quarter of the entire recruiting workforce.

Job postings for recruiters plunged in May 2020, with hiring demand for talent acquisition professionals plunging further than at any time during the depths of the Great Recession.

According to EMSI data, that month saw a precipitous 47% YoY drop in recruiting-related job postings, part of a troubling trend that was reversed only this February, when recruiting jobs finally rose a meager 7% YoY.

As the economy reopens, however, and hiring demand accelerates, demand for recruiters has outstripped almost every non-STEM-related professional skill set, with hiring freezes finally starting to melt and headcounts returning to their pre-pandemic levels.

Consider that in the last quarter alone, job postings requiring recruiting or TA-related expertise or experience enjoyed their highest month-over-month increase since at least 2005, rising a staggering 87% between April and May of 2021.

Similarly, the Bureau of Labor Statistics estimates that the median wage for recruiting managers (or “HR Specialists – Staffing,” as the DoL refers to us) rose to \$138,000 or so a year, up 13% from the approximate \$121k median wage recruiters could expect on the open market just one year ago; conversely, the average worker enjoyed only about a 3% increase in mean income in 2021.

This is evidence that the premium employers must now pay to attract the very same recruiters who, in just over a year, have seen their relative market value shift from disposable to indispensable.



As the economic canary in the coal mine, the escalating demand for experienced recruiters (enjoy it while you can) and commiserate salary gains are among the first wave of what's sure to be an expensive reminder for many employers of the importance of talent mobility.

Those organizations who were unable to retrain, reskill or redeploy their workers for the seismic shift in work demands at the peak of the pandemic had no choice, particularly those enterprise employers who weren't qualified for PPP and other payroll assistance schemes but to surrender their long-term "greatest assets" to offset their short-term liabilities.

Now the rush to rehire is on, and companies can't seem to hire workers fast enough to fill their business needs – that is, of course, if there are any workers to be hired at all.

This means if you're in recruiting, these trends are, in aggregate, great news – and since they are being driven largely by significant spikes in employer demand, it's an equally encouraging development for job seekers, too.

The scarcity of available qualified talent and the inability of many employers to effectively meet their relative hiring demands has been well documented, dominating headlines and policy conversations for the past several months.

But the fact of the matter is, the talent shortage is nothing new; not having the right talent, or enough of it, has perennially ranked as the top challenge inhibiting future growth in literally hundreds of studies and surveys of C-suite executives and senior leaders for years.

In other words, anyone who happened to be looking saw this talent crunch coming from a long way off. It's just that we chose to do nothing about it.

And now, employers are paying the price for their hiring hubris. The thing is, all of this could have been more or less avoided with a little workforce planning and a slight shift in mobility mindset.

The Inevitability of Internal Mobility

While COVID exacerbated the chronic imbalance of talent supply and employer demand, the consequences of our just-in-time, at-will relationship with our workforce were already starting to show well before the pandemic.

Consider that in a January 2020 survey, released weeks before the first COVID case had even entered the US, the Conference Board reported:

“...the top concern to CEOs and other C-Suite executives is the shortage of talent. Regardless of the size and location of the organizations these CEOs represented, attracting and retaining talent are their most pressing matters. Respondents attributed this concern to a tight labor market, which also ranked as the fifth top concern. These concerns coincide with difficulties in the hiring process, as CEOs and their companies are finding the overall process to be lengthier and costlier.”

The second biggest concern, by the way, was the impact of a possible recession on their businesses and bottom lines. As it turns out, those issues have proven to be not only inextricably intertwined, but also more secular than cyclical.

The economy will always have its ups and downs. So too will employers' relative needs for workers. But increasingly, evidence suggests that

The companies who achieve the most business success seem to be those with the highest levels of talent agility.

The manifold talent challenges facing post-pandemic employers today have proven to be not only entirely predictable, but completely preventable, too.

It's obvious that even in the before times, the chief concern of CEOs and other senior stakeholders was recruiting and retaining the right workers (a concern that, like the possibility of an impending recession, turned out to be imminently justified). If you read a scintilla of recruiting-related literature over the past several years, you probably already knew that.

They had also correctly identified, as the Executive Board survey suggests, that this persistent and pervasive problem was largely caused by process inefficiencies and recruiter inefficacy (of course, so too is pretty much everything related to hiring, if we're being honest).

The consequences of the skills gap and talent scarcity were self-evident to the C-Suite, even in those halcyon, pre-pandemic days.

Hiring talent was continually taking longer and costing more, representing a real and tangible challenge to scalable, sustainable business success. The secondary concern was, of course, the impacts any potential recession might have on their business, and one seemed to be looming before we all learned what "herd immunity" and "social distancing" even meant.

To recap: CEOs knew that future talent shortages were the most imminent threat to their business and bottom-line success. They knew that any economic downturn – and one seemed inevitable – would only exacerbate their most critical challenge.

They even identified the primary business problem they needed to solve: streamlining and simplifying the internal hiring process. The problem was, there just wasn't enough time to come up with a solution before the pandemic upended our lives and our livelihoods.

Of course, as we slowly return to normal, and hiring heats back up, it's clear that the opportunity costs associated with continuing to neglect internal recruiting are far too steep a price for any employer to pay for, much less repeatedly incur the costs associated with the recurrent, and inevitable, workforce booms and busts.

It seems, anecdotally at least, that employers and recruiters may, at long last, be finally catching on. In these first few months of rebuilding our collective workforce capabilities post-pandemic, internal mobility seems to have finally become a top priority for employers and recruiters alike. It's about time, too.

Internal Recruiting: Consider the Source

We'll probably never know the real reason internal mobility has been so neglected for so long. Probably because, compared to building Boolean strings or removing bias from resumes, it's a decidedly unsexy, mundane part of recruiting.

For a profession that loves to source candidates in the most complex and convoluted way possible, there could be nothing more boring, or blasé, than having to handle an internal transfer or promotion.

After all, for recruiters, simply moving an employee from one spot on an org chart to another is often little more than an administrative exercise, albeit one full of potential political and professional pitfalls.

We fancy ourselves “hunters,” but it's no fun when the prey is captive – and when it's so often seen, by our stakeholders and HR Business Partners, not as talent mobility, but instead, as “poaching,” the worst kind of talent treason.

We have arrived at an inflection point. Since the “Great Rehire” began in earnest, the cost and complexity of hiring even the most remedial of workers have skyrocketed.

The availability of even the most remedial of workers has, conversely, plummeted. Many companies no longer even talk about “talent” – at this point, they're just looking for anyone willing to work, and those would-be workers are nowhere to be found.

In talent today, light industrial laborers are the new purple squirrels, and hourly workers are the new unicorns. Both are proving inordinately difficult to find; hiring skilled or highly experienced workers, while never easy, has become an almost Quixotic challenge these days.

Sure, hindsight is always 20/20, but let's stop for a minute and consider that, even in an industry as volatile and as unpredictable as recruiting and hiring, there are a few truths we hold to be self-evident:

1. The talent shortage and skills gap continue to widen throughout the workforce issues CEOs not only care about but ones that keep them up at night. Or so the surveys say.
2. The empirical impact of this endemic issue is that hiring qualified talent has become even more expensive, and even more time-consuming than ever before. And it's getting worse.
3. Internal recruiting is the obvious – and perhaps only – solution for organizations to overcome these critical hiring challenges.
4. Unless organizations choose to proactively transform internal recruiting from being seen almost as an ancillary or afterthought into a core recruitment competency and foundational element of hiring success, these issues will continue to get worse, and hiring top talent will continue to become unsustainably expensive and time-consuming.
5. Internal recruiting will inevitably continue to be the most successful source of hire for enterprise employers for years to come, just like it has for the past two decades.

Employers don't need to *do* anything to see the impact of internal recruiting on baseline metrics and bottom-line results.

But those companies who are proactive in building internal recruiting programs and processes, and who are intentional when designing and optimizing talent mobility as part of their hiring process, will quickly see real recruiting results.

This is particularly true around such foundational metrics as hiring budget and velocity – internal hires are significantly less expensive, and more readily available, than any source of external talent.

They're also more engaged, have higher job satisfaction, and are more productive (in less time) than any other candidate cohort. They generate more referrals, have lower absenteeism, and way less natural attrition than their colleagues hired from the outside.

This has been proven for years, and yet, for some reason, the business case for internal recruiting has still proven insufficient to warrant the sort of spend or dedicated resources, as, say, “conversational AI” – better known as bots.

Technology is amazing. This might be one of the biggest inhibitors in focusing on our current employees over external talent. Unlike so much else in hiring and recruiting, no HR software or solution can independently improve internal recruiting efficacy or efficiency.

Mobility is inherently high touch, not high tech; it works through personalization, not automation. Sure, some tech may help – and emerging vendors like Fuel50 and Gloat sure hope you'll ante up a pretty penny for that possibility – but ultimately, internal recruiting comes down to changing the system, not changing systems.

The former, of course, is infinitely harder.

Inner Piece

The future of recruiting is as simple as it's always been – it's all about making the best hires for the least cost in the shortest amount of time. But we all know that hiring doesn't stop with a hire, nor does recruiting end once onboarding begins.

If you're not actively recruiting your company's best talent, someone out there probably already is.

You're not the only employer out there actively searching for passive candidates.

That's why the quality of hire only happens the second or third time around. It's not hard to hire for the requirements of a requisition.

That's the easiest part of recruiting. Retaining those hires long enough to develop and proactively promote them? That's the real recruiting challenge. And the real opportunity for TA to make a real impact on the bigger business, too.

Here's the thing. If employee growth and business growth are aligned, then both your people and your P&L will succeed. Both are predicated on being able to make the most out of all available opportunities. Recruiting is the fundamental foundation underscoring both of these business outcomes.

If your employees can grow along with the business, if your talent organization can shift from the transactional tactics of simply finding the external candidates for open jobs and instead find the right open jobs for internal ones, then you'll never have to worry about talent scarcity or the skills gap again.

After all, when it comes to hiring success, it's almost always better to build than to buy. And we've got the data to prove it.

The State of Internal Recruiting 2021: The Numbers Are In

To better understand recruiter perceptions and attitudes around internal recruiting, SmartRecruiters recently conducted a public survey open to all talent acquisition and HR professionals.

We wanted to ensure as broad a survey sample as possible, and therefore, designed and administered our 2021 State of Internal Recruiting Survey so that the responses were representative of recruiting and hiring leaders as a whole, rather than simply those who also happen to be current customers. Of note, only about 1 in 3 respondents are active SmartRecruiters clients.

This means that the data from our first-ever internal recruiting report is objective and, like all important topics in talent acquisition, completely system agnostic.

Of course, this also means that 2 in 3 recruiters responding to the survey have an even more obvious, and even easier, fix for their broken hiring processes than internal recruiting. That's OK.

Because even if your talent tech stack doesn't exactly stack up, mobility is a mindset that places a premium on process design rather than platform implementation (let's keep that our little secret, and give a huge thank you to our sponsors at SmartRecruiters for making mobility magical).

Here are some of the most surprising findings and top takeaways from the 2021 State of Internal Recruiting Report. You can scroll down to the appendix for a complete list of questions and all the data behind all the responses if you like it when we talk nerdy to you.

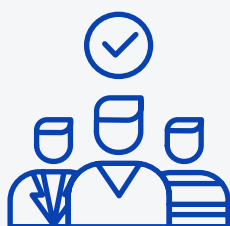
For the rest of you, if you're like most recruiters, then you probably don't have a ton of time for deep dives into market data.

If you want a high-level view of things, though, keep reading for more information about the state of internal recruiting in 2021 (and beyond).



Action Vs. Intent

Of all the completed responses received from enterprise TA professionals in 14 countries (we ended up filtering out the few who hired for organizations with under a thousand employees since these were largely outliers), we found a significant divide between what talent leaders say they're doing to improve internal mobility, and the actions that they're making to achieve those objectives.



310

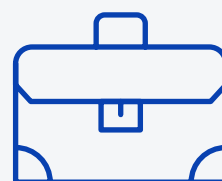
Enterprise

Talent Acquisition Stakeholder



14

Countries



212

**Enterprise Employers
Represented**

(3000+ employees)

For example, 61% of respondents reported that their company currently has a “clearly defined, well-documented process established for recruiting internal employees.”

This number sounds fairly encouraging until you consider that these respondents recruit for some of the world's biggest employers and best-known brands.

Since each works at an organization with at least one thousand employees, however, and fully 98% of respondents reported their company had at least one enterprise TA system in place, like an ATS or HCM, this number is surprisingly low.

It's fascinating to note that fully 2 in 5 respondents had no formal internal recruiting programs in place, nor any sort of standard policies or processes in place for internal talent, despite the complexity of the organizations they work for.

Even with relatively large budgets, global imprints, and enterprise-grade talent technology systems, 40% of these employers would rather spend money on SaaS subscriptions and paid job advertising than promoting and retaining the top talent already working in their organization.

This shows that even though every respondent agreed to some extent with the statement that “internal mobility is somewhat or very important to hiring success,” 2 in 5 worked for companies without formal internal recruiting programs in place.

This shows a definite and dramatic gap between action and intent, particularly considering the relative spend each employer allocates towards talent technology or other expensive, but fully external, sources of hire like paid job boards, recruitment marketing or social recruiting initiatives, or point solutions focused exclusively on passive candidate sourcing and pipeline building.

The Outcomes Are Obvious, But the Objectives Are Unclear

The business case for internal recruiting is not a particularly hard one to make.

Consider that while nearly 76% of new hires for exempt roles end up staying for at least one year at an employer, that number drops to only 45% for workers who have been in a role for 3 years or more, a significant, and steep, drop off in retention (and engagement) that generally occurs between the employee's first and third anniversary.

This is a small data point, but one that should make it obvious exactly when recruiters and hiring leaders need to actively intervene – or at least, minimize unwanted churn while increasing employee retention.

At the very least, on an employees' first and second work anniversaries, statistics show that career development conversations and encouraging employees to pursue internal opportunities once they've reached these milestones more than doubles the likelihood that they'll feel fulfilled instead of needing a backfill.

That's a pretty significant impact, exponentially improving employee retention while simultaneously avoiding the \$5,600, on average, US employers spend filling open roles externally – and that's just for employees who feel like there's long term potential for them at their company but remain in the same job they were initially hired to do.

For those employees who are promoted, fully 75% will remain with their company through their third work anniversary; 62% of employees who made a lateral move last until their third work anniversary.

According to this data, simply giving an employee a different role or responsibilities, even if their title and pay remain the same, will improve the likelihood of retaining a top performer over a three-year period by around 20%. This is as close to a no-brainer as exists in talent acquisition today.

And yet, our study uncovered some very significant challenges associated with what should be a fairly easy fix.

Most prominent was the fact that while 52% of respondents reported that talent acquisition had primary responsibility for internal recruiting at their organization (compared to just 10% for hiring managers, or 8% for HR Business Partners, who have historically overseen talent mobility initiatives), the huge majority internal recruiting-related hiring events are not aligned to organizational or employee need.

Who is responsible for internal recruiting at your organization?

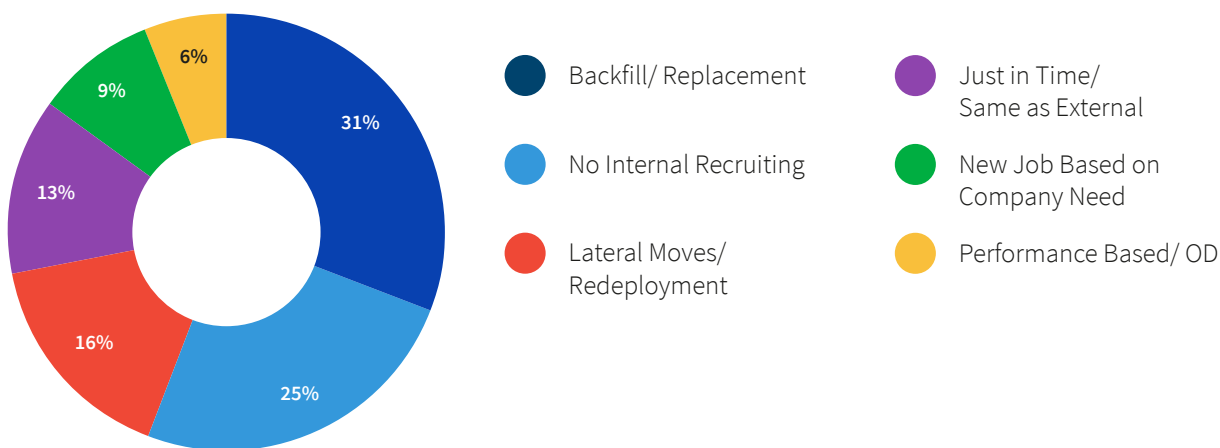


They are, instead, defined exclusively by whatever jobs the company happens to have open at the time, and rather than work with high potential or high performing employees to look at future careers over the long term, internal recruiting is almost exclusively aligned with short-term hiring needs.

Only 15% of respondents reported either designing new jobs around current employees' experience and expertise (9%) or using formal performance reviews, high potential identification, or succession planning (6%) as part of their internal mobility programs and processes.

Instead, 31% of employers reported that their internal recruiting was exclusively focused on backfills and replacing departed workers in existing jobs, an overwhelming majority of which are publicly posted. This is, of course, slightly better than the 25% of respondents who do not do any sort of internal recruiting or talent mobility in their organizations (at least not formally).

What triggers internal recruiting in your organization?



This focus on just-in-time hiring rather than proactive career planning is something employers should carefully consider; hoping that the right internal candidate with the right skills will happen to see and apply for the right job at their current employer at the right time is not an internal recruiting strategy. It's dumb luck and not an effective employee retention tool.

In conducting interviews as part of our background research for this paper, recruiters and hiring stakeholders most often described their internal recruiting process (assuming one exists in the first place) as being the exact same for current employees as external candidates.

Equality in the workforce in general, but recruitment in particular, is a significant issue and salient strategy concern, particularly with the increasing onus on DEIB initiatives and programs.

But treating a current employee the same as an external candidate, and requiring them to apply for every position they see posted, rather than considering them for open roles (or creating them) – as 68% of respondents do – erodes any inherent advantage of internal recruiting in the first place.

If it's just as easy to apply for jobs externally as it is internally, and recruiters at other organizations are just as responsive to their resume as their internal talent acquisition team – and, of course, likely have no pre-established relationship with either recruiter, unless they happened to be the one who originally hired them – then internal recruiting becomes a moot point.

At that point, it's just recruiting, and if this is, like most employers, what passes as your internal recruiting “strategy,” there's good news.

You're already building a pretty good pipeline for the inevitable backfills and replacement hires you're going to have to make – hires who, of course, have much longer hiring processes as a rule, and are inordinately more expensive than existing employees, particularly for highly skilled roles or those requiring specialized or niche experience.

And should you be lucky enough to beat the talent market odds, successfully navigate the full cycle hiring process, and ultimately have an offer accepted, the good news is there's a 75% chance you won't have to fill that req again within a year of it closing.

I don't know about you, but as a recruiter, I really wouldn't like those odds.

Internal Hiring Is Harder Than It Has To Be

As mentioned above, the most commonly cited process for internal recruiting seems to be subjecting current employees to the same initial application process as all external candidates. This is, by itself, a big process problem. It's also a lie.

The biggest competitive disadvantage any employer faces in internal recruiting comes not from outside of their organization, but from within. And largely, the biggest inhibitor for internal recruiting is also, superficially at least, the easiest fix.

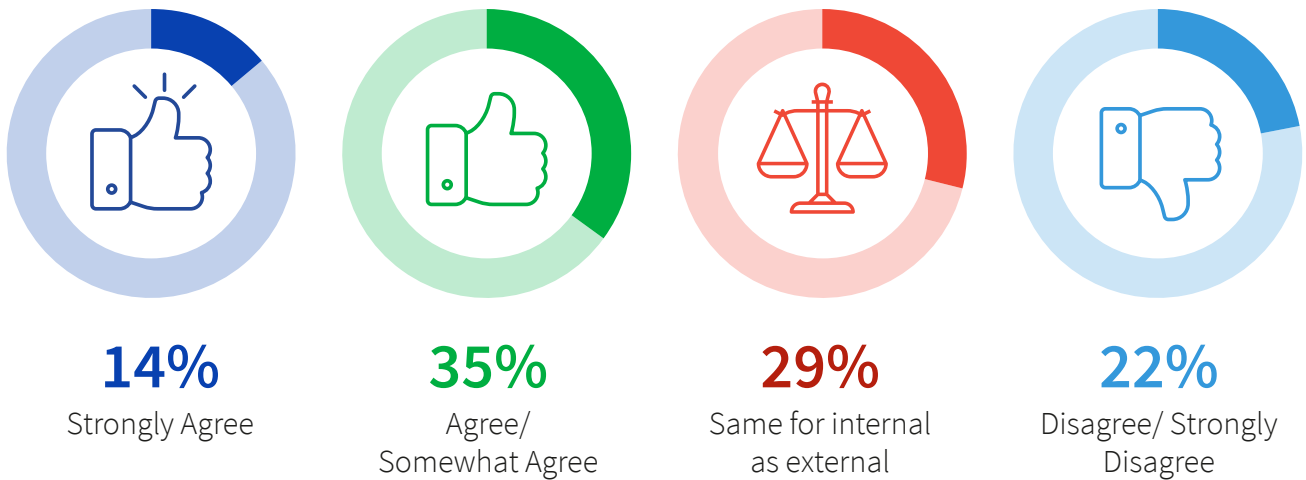
While employers seem to stick to the misguided notion that internal and external application processes should be more or less equal, the very idea of parity is, well, parody.

That's because the moment a current employee applies for an internal position, most companies penalize their proactivity by requiring extra steps, extraneous documentation or tangential processes specific to current workers.

They are, in effect, making it harder for employees to be contacted for, or even considered, for internal opportunities – which not only prohibits many employees from even applying for internal jobs but in many cases, likely pushes them out of the company, too.

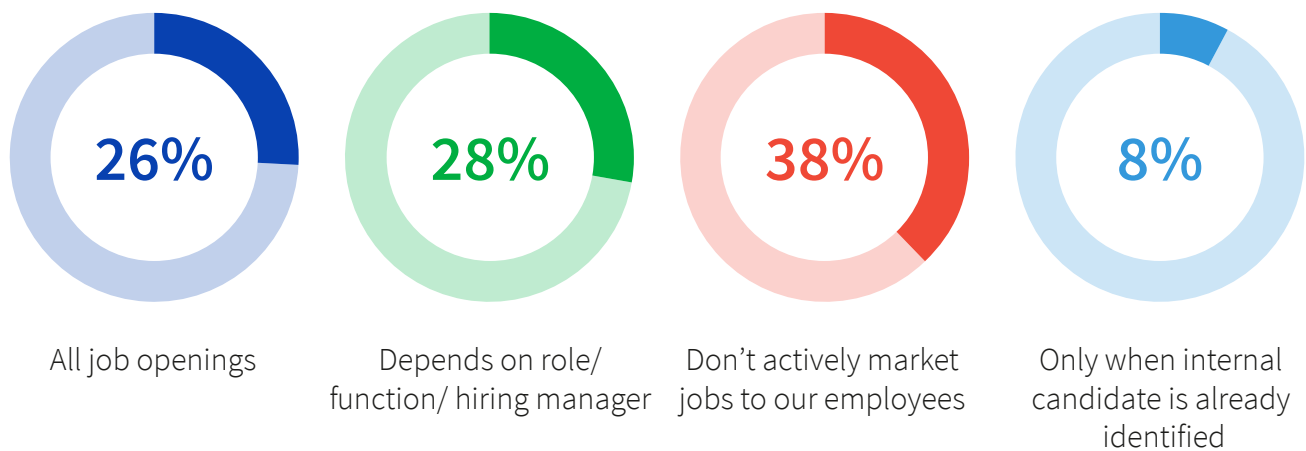
Only about half of all State of Internal Recruiting survey respondents (49%) agreed with the statement that “it is easier for employees to get jobs in our company than external candidates;” fully 22% of talent leaders were self-aware enough to strongly disagree with what should be a pretty self-evident statement.

It is easier for employees to get hired for jobs in our company than external candidates



In addition to making it more difficult to see internally posted positions than it is to search external job listings on Indeed or LinkedIn, a full 38% admit that they don't actively market open job opportunities to current employees; another 28% did so selectively, depending on the hiring manager or role.

We Actively Market Job Opportunities to Current Employees



This defies credulity, considering the billions of dollars employers spend every year on recruitment advertising, from job boards to sponsored stories, with the hope of actually converting a qualified, albeit mostly passive candidate, into an active and interested applicant.

Yet when it comes to advertising those same jobs to a captive audience of highly qualified candidates, all of whom are also existing customers, more or less, only 26% of enterprise employers even bother with trying to market open jobs to their current employee population.

Something as small as providing a dedicated employee jobs portal, sending employees periodic internal job alerts, or even perfunctorily posting available positions on internal channels like Slack or SharePoint could make a big difference when it comes to internal recruiting and hiring (not to mention the overall efficacy of recruitment advertising). Worst case, these strategies are likely to outperform any external job board anywhere in the world. Of course, that's not really saying much.

Emerging best practices suggest that more is less when it comes to job-related requirements, which is one reason employers have been biting their bullet points (and preempting implicit bias) for the past couple of years.

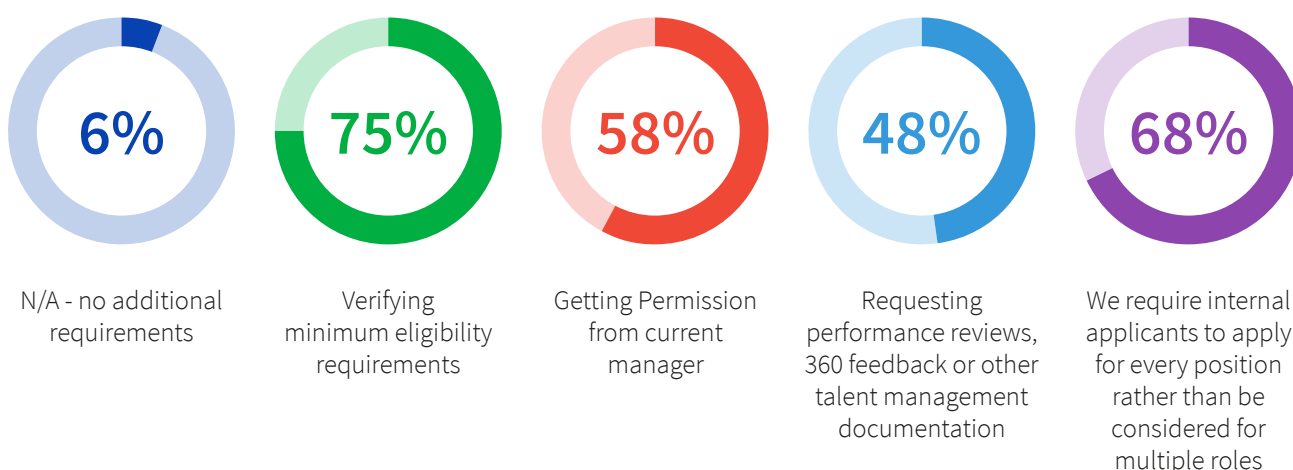
Of course, when it comes to internal applicants, it's a different story – with almost every employer imposing some sort of additional process requirements on internal job applicants.

In fact, 75% of our survey respondents were required to verify minimum eligibility requirements prior to reaching out to a candidate (generally, they must be an employee in good standing who's been in their position for at least a year).

Even more shocking: fully 58% of companies with formal policies or processes for internal recruiting require that, before being considered for a job, current employees must first obtain the written permission of their manager, usually as a supplement to the standard company application.

What additional process requirements apply to your internal recruiting policy?

Multiple selections permitted; n=310



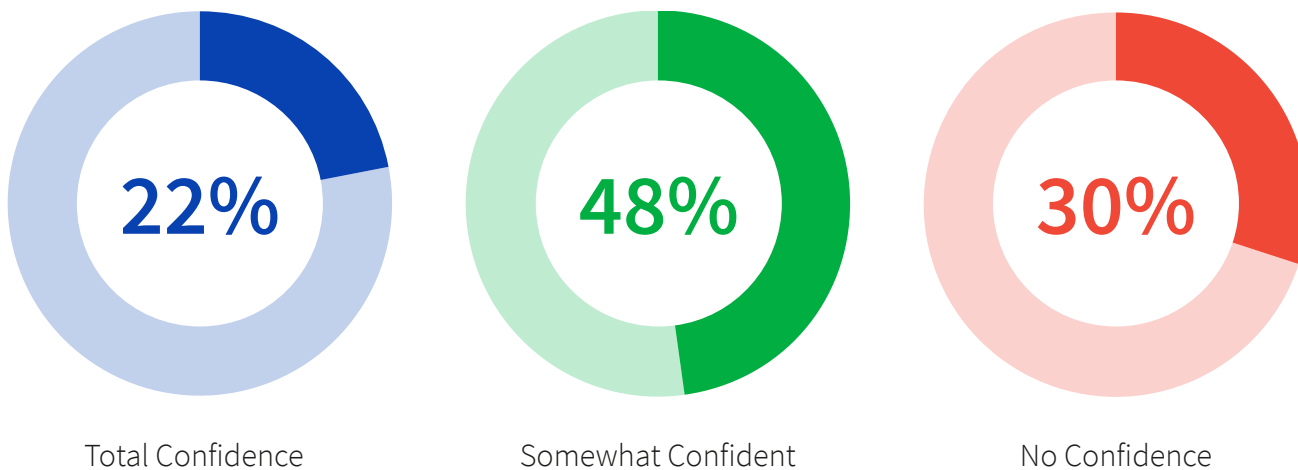
The reason behind this, of course, is to eliminate any perception of “poaching” and create transparency around internal recruiting and hiring.

Of course, the actual outcome of these policies is to effectively dissuade and derail most employees from ever even thinking about applying for an open role at their own company, even if they see a position they'd be perfect for. The risks associated with not only applying but being forced to openly admit an active interest in exploring other roles to your current manager, isn't a coachable moment for most.

It's effectively career suicide; for most logical people, the risk/reward ratio of this deceptively simple step in 3 out of 5 internal recruiting processes just isn't worth it.

It's a small wonder that only 22% of recruiting and HR leaders responding to the survey felt their employees had confidence when applying to internal roles; 30%, conversely, felt their employees had no confidence in their internal recruiting process.

How Confident are your employees when applying to internal roles?



Closing Thoughts

Here lies the central challenge – and biggest opportunity – in talent mobility today. We've all seen manifold recent reminders that the social contract has long ago been cut up, that the concept of loyalty – and job security, for that matter – have largely become as anachronistic as butter churns or eight tracks.

That's because at the end of the day, recruiting in general, but internal recruiting in particular, all comes down to trust. And until we, as recruiting leaders, can effectively build relationships with the candidates we hire, and until we can establish credibility as a career resource rather than a professional inhibitor, then we'll continue to miss the mark when it comes to talent mobility.

But if you can effectively build the processes, procedures, and people required to not only make internal recruiting a foundational part of your talent acquisition strategy, but also, a foundational component of your company culture, then you'll do more than just boost recruiting and retention outcomes.

You'll create the kind of workplace people want to work at. When a job starts becoming more than a job, and when an employer stops becoming a paycheck and starts becoming a true career destination, well, external recruiting becomes a whole lot easier, too.

Everyone is looking for talent. But the companies that find business success – and hiring success – will do so because they're finally able to cash in on what's long been their greatest asset – and their biggest competitive advantage.

For more information on how to achieve Hiring Success through internal recruiting, check out **SmartMobility**, or contact us at team@smartrecruiters.com



YOU ARE WHO YOU HIRE

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