Recruiter Nation

Recruiting Realities: What's Shaping TA Today

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Executive
Summary

After years of whiplash in the hiring market, 2025 hasn't brought stability so much as another chapter of change. Economic headwinds, evolving jobs reports, and uneven hiring slowdowns continue to dominate headlines. But if you only read those headlines, you might think the entire hiring market has ground to a halt. Recruiters know better: hiring is cyclical, and today's shifts are less about collapse and more about recalibration.

That's why the 2025 Recruiter Nation Report tells a very different story than the prevailing narrative. Far from stalled, hiring remains resilient. Nearly three-quarters of recruiters told us they're hiring at the same—or even higher—levels than last year. And looking ahead, most expect demand to hold steady or increase. Optimism, it seems, is alive and well inside the recruiting function.

What's changing isn't volume, but priorities. For the past two years, recruiters focused squarely on improving candidate quality. In 2025, the pendulum has swung: "getting more candidates" now ranks as the top priority, as recruiters work to widen the funnel in an increasingly competitive landscape. Technology is also moving up the agenda. This year, 39% of respondents listed tech investment as a top priority—up sharply from 25% in 2024—signaling a clear willingness to spend in order to scale.

New survey questions this year revealed where experimentation is turning into execution. AI has shifted from hype to impact, with measurable gains in time to fill, candidate quality, and recruiter productivity. Skills-based hiring is still nascent, but

the early adopters report strong returns—hinting at where the market will inevitably move next. And while most recruiters are "satisfied enough" with their current tools, the majority are still planning a tech refresh—underscoring that adequacy won't cut it in a market where differentiation matters.

The story of hiring in 2025 isn't one of contraction—it's one of evolution. Recruiters are adapting, recalibrating, and in many cases, leading the charge on how work gets done.

Read on to see where your peers are investing, how they're rethinking their strategies, and what you can do to get—and stay—ahead.

Momentum Meets
Obstacles

Key finding: Hiring and applicant volume both climbed this year, and optimism is strong—but candidate shortages, quality gaps, and fierce competition still keep teams on their toes.
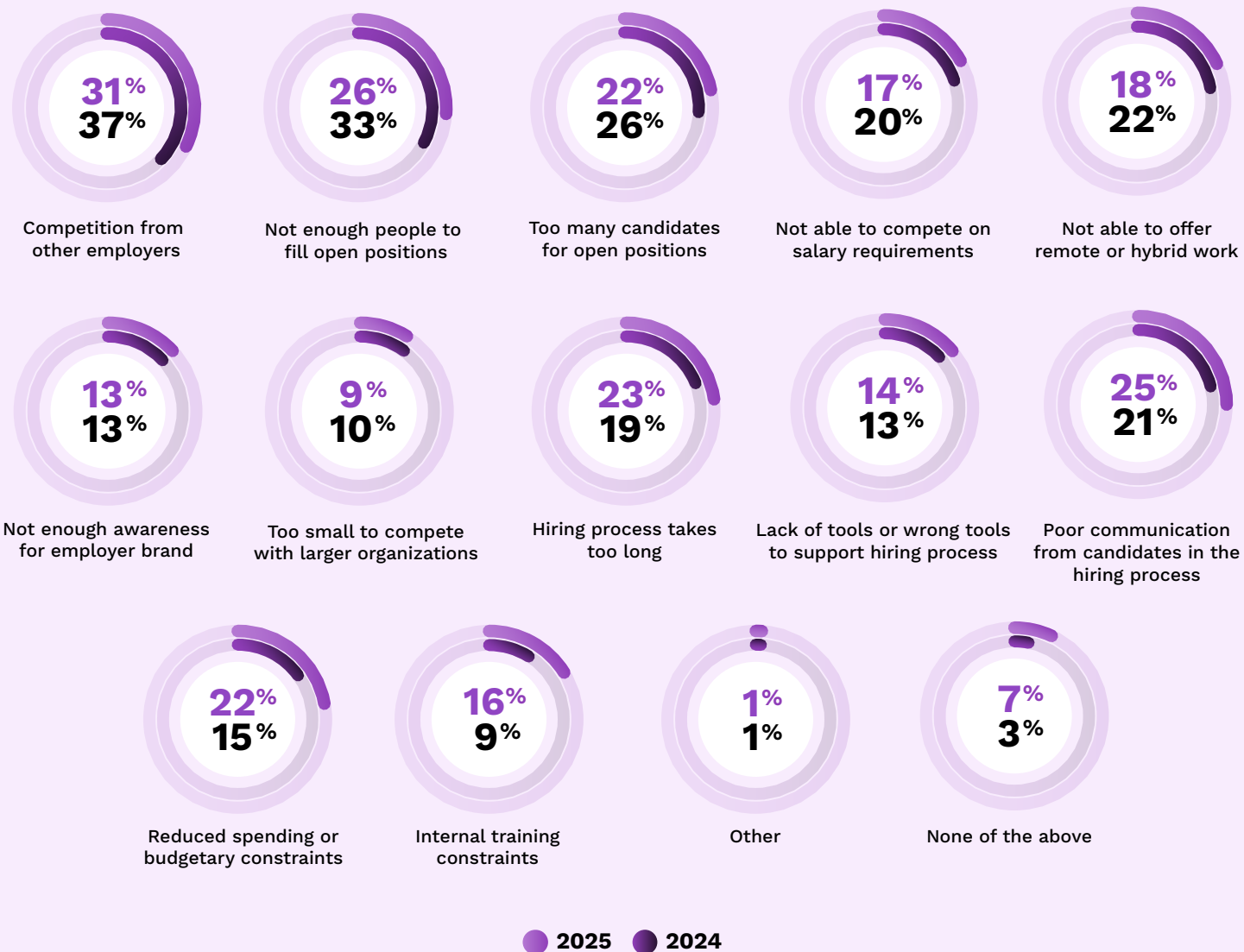
Optimism is On the Rise

Recruiters are heading into 2026 feeling hopeful. Seventy percent say hiring increased year over year, and most expect further growth in the next 12 months—26% anticipate significantly more hires and 44% expect somewhat more. Candidate pipelines are growing too, with two-thirds (66%) reporting more applicants per role. On paper, that looks like a market hitting its stride.

But this optimism isn't universal. In software/technology (79%) and manufacturing (75%), HR decision-makers are more bullish about growth. But in fields like communication/marketing/advertising (47%), hospitality and event planning (52%), and telecommunications (59%), leaders are approaching the year with a bit more caution. It's a reminder that recruiter realities aren't one-size-fits-all; they depend on the market you're in and the talent you're chasing.

What are the biggest challenges your business faces in recruiting?

The top two recruiting challenges are competition and candidate shortages.

31% / 37% Competition from other employers

26% / 33% Not enough people to fill open positions

22% / 26% Too many candidates for open positions

17% / 20% Not able to compete on salary requirements

18% / 22% Not able to offer remote or hybrid work

13% / 13% Not enough awareness for employer brand

9% / 10% Too small to compete with larger organizations

23% / 19% Hiring process takes too long

14% / 13% Lack of tools or wrong tools to support hiring process

25% / 21% Poor communication from candidates in the hiring process

22% / 15% Reduced spending or budgetary constraints

16% / 9% Internal training constraints

1% / 1% Other

7% / 3% None of the above

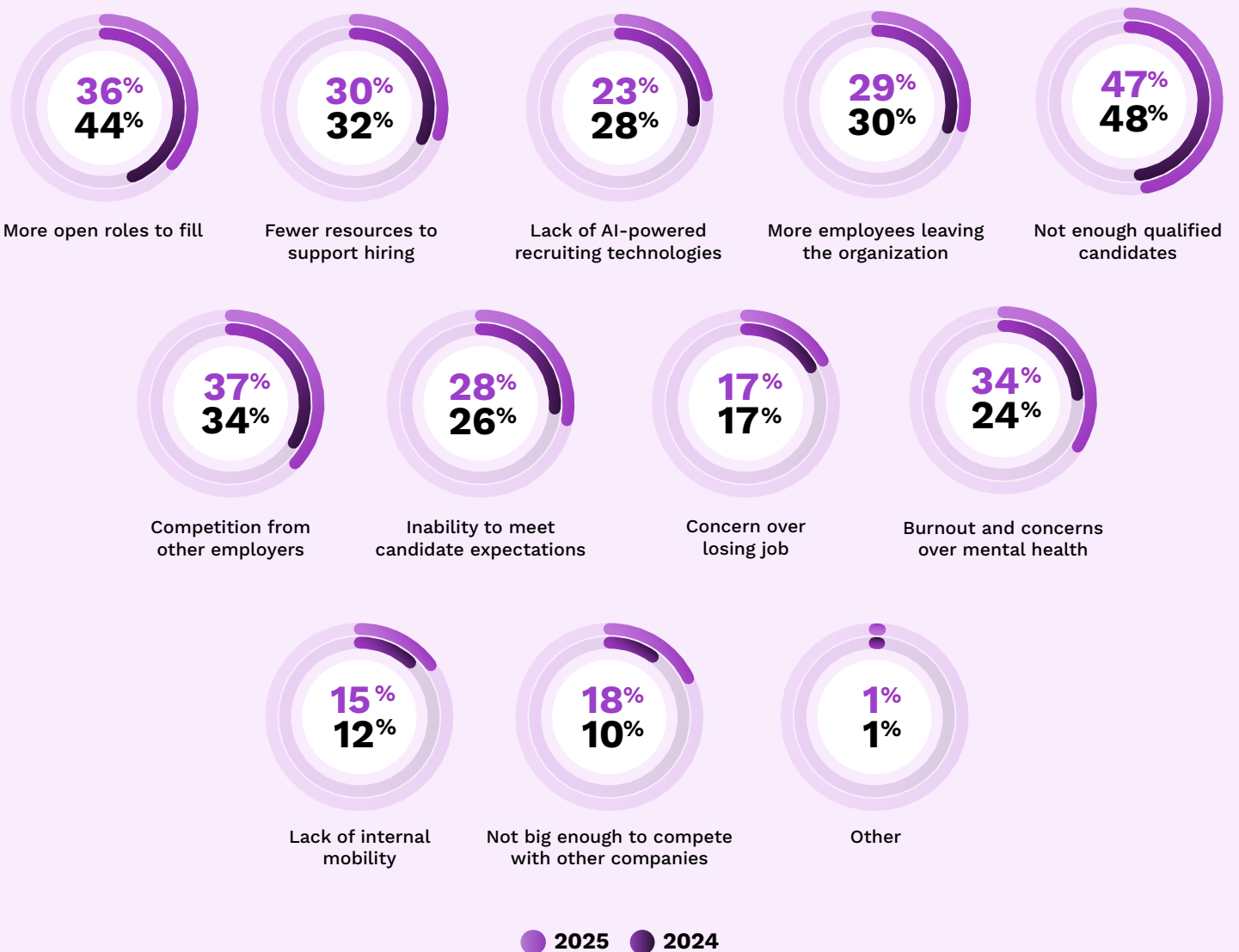● 2025 ● 2024

Challenges Still Persist

Despite this momentum, some hurdles refuse to budge. Nearly half (47%) of respondents believe that hiring new employees will still be "very" or "somewhat" challenging going into 2026. The top obstacles include competition from other employers (50%), not enough quality candidates (46%), rising candidate expectations (42%, up sharply from 24% in 2024), and simply more open roles to fill (41%).

When asked about their organization's biggest challenges, respondents again pointed to competition (31%) and candidate shortages (26%). Stress levels also tell the same story. Recruiters listed lack of qualified candidates (47%), competition (37%), and more open roles (36%) as their top stressors.

It's clear that candidate shortages, quality gaps, and competition are what keep recruiters up at night.

If you said your job was more stressful today than it was a year ago, why?

💡 Among those who reported higher stress levels, lack of qualified candidates, competition, and more open roles emerged as the biggest stressors.

36% 44%	30% 32%	23% 28%	29% 30%	47% 48%
More open roles to fill	Fewer resources to support hiring	Lack of AI-powered recruiting technologies	More employees leaving the organization	Not enough qualified candidates

37% 34%	28% 26%	17% 17%	34% 24%
Competition from other employers	Inability to meet candidate expectations	Concern over losing job	Burnout and concerns over mental health

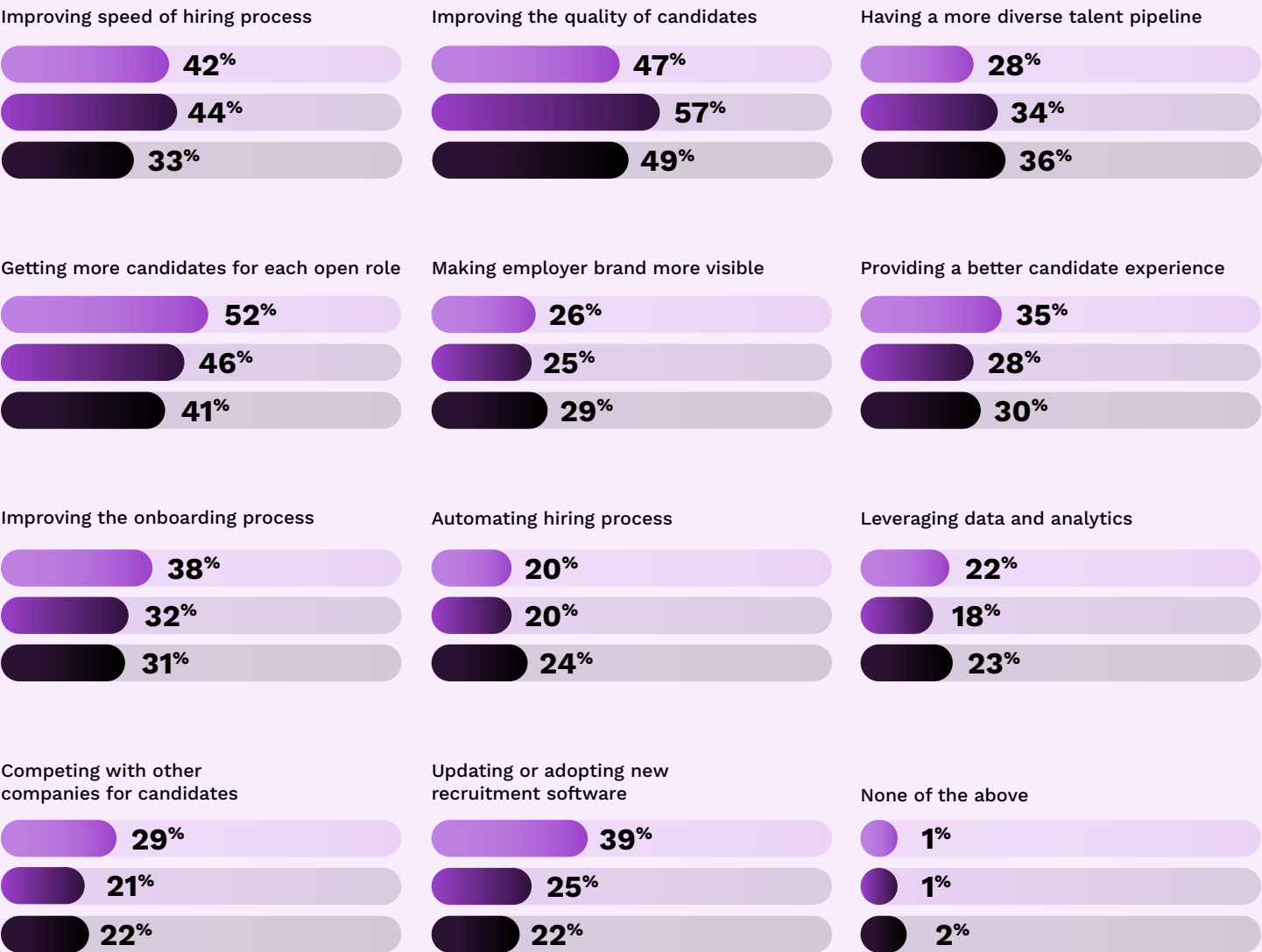| 15% 12%	18% 10%	1% 1%
Lack of internal mobility	Not big enough to compete with other companies	Other

● 2025   ● 2024

Priorities Reflect These Challenges

These challenges are reshaping what recruiters focus on. After two straight years of prioritizing candidate quality, recruiters are now putting their energy into quantity instead. This year, simply getting more candidates for each open role jumped to the top of the priority list (52%, up from 46%), overtaking candidate quality (47%, down from 57%).

What are the top recruiting priorities right now?

💡 Getting more candidates overtook improving candidate quality as the top priority.

Improving speed of hiring process
- 42%
- 44%
- 33%

Improving the quality of candidates
- 47%
- 57%
- 49%

Having a more diverse talent pipeline
- 28%
- 34%
- 36%

Getting more candidates for each open role
- 52%
- 46%
- 41%

Making employer brand more visible
- 26%
- 25%
- 29%

Providing a better candidate experience
- 35%
- 28%
- 30%

Improving the onboarding process
- 38%
- 32%
- 31%

Automating hiring process
- 20%
- 20%
- 24%

Leveraging data and analytics
- 22%
- 18%
- 23%

Competing with other companies for candidates
- 29%
- 21%
- 22%

Updating or adopting new recruitment software
- 39%
- 25%
- 22%

None of the above
- 1%
- 1%
- 2%

● 2025　● 2024　● 2023

What This
Means

Although applicant volume is increasing, recruiters remain focused on getting even more candidates per role. At the same time, they report a lack of quality candidates as one of their biggest challenges. The reality is that the issue is both quality and quantity. But with roles to fill and a highly competitive market, recruiters are prioritizing casting a wider net now—and should lean on tech to help manage scale.

> "Sourcing and screening candidates isn't about volume—it's about clarity and alignment. The idea that 'more is better' has been baked into hiring for too long, and it's why many recruiters still feel like there are never enough qualified candidates. But the data tells a different story. The challenge isn't scarcity. It's that too many hiring managers are unclear, indecisive, or chasing outdated definitions of fit. What Employ's research reinforces is that recruiters want to find qualified, interested candidates who align with the opportunity. It's not just about filling funnels—it's about finding the right match, faster."

– Laura Mazzullo,
Owner,
East Side Staffing

EAST SIDE STAFFING

How to Take **Action**

➜ **Target quality within volume:** Use recruitment marketing and programmatic job ads to widen reach, but layer in AI-powered screening to surface better-fit candidates.

➜ **Differentiate to compete:** Strengthen employer branding to win candidates against rival offers.

➜ **Address candidate expectations:** Audit hiring processes (communication, speed, and transparency) to close gaps between what candidates want and what recruiters deliver.
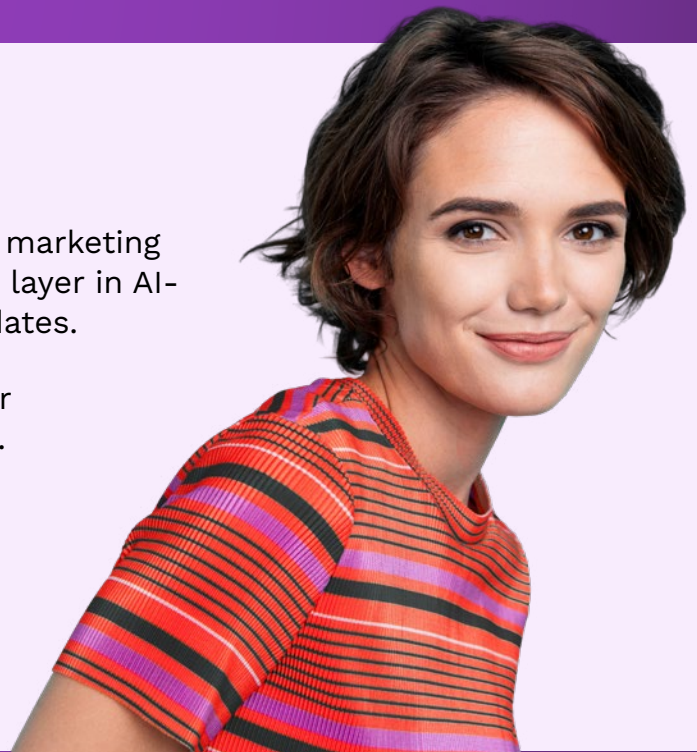
The Looming
Tech Stack Shakeup

Key finding: Recruiting technology is both a top priority and the fastest-growing area of investment, but satisfaction gaps mean most teams are preparing to overhaul their systems.
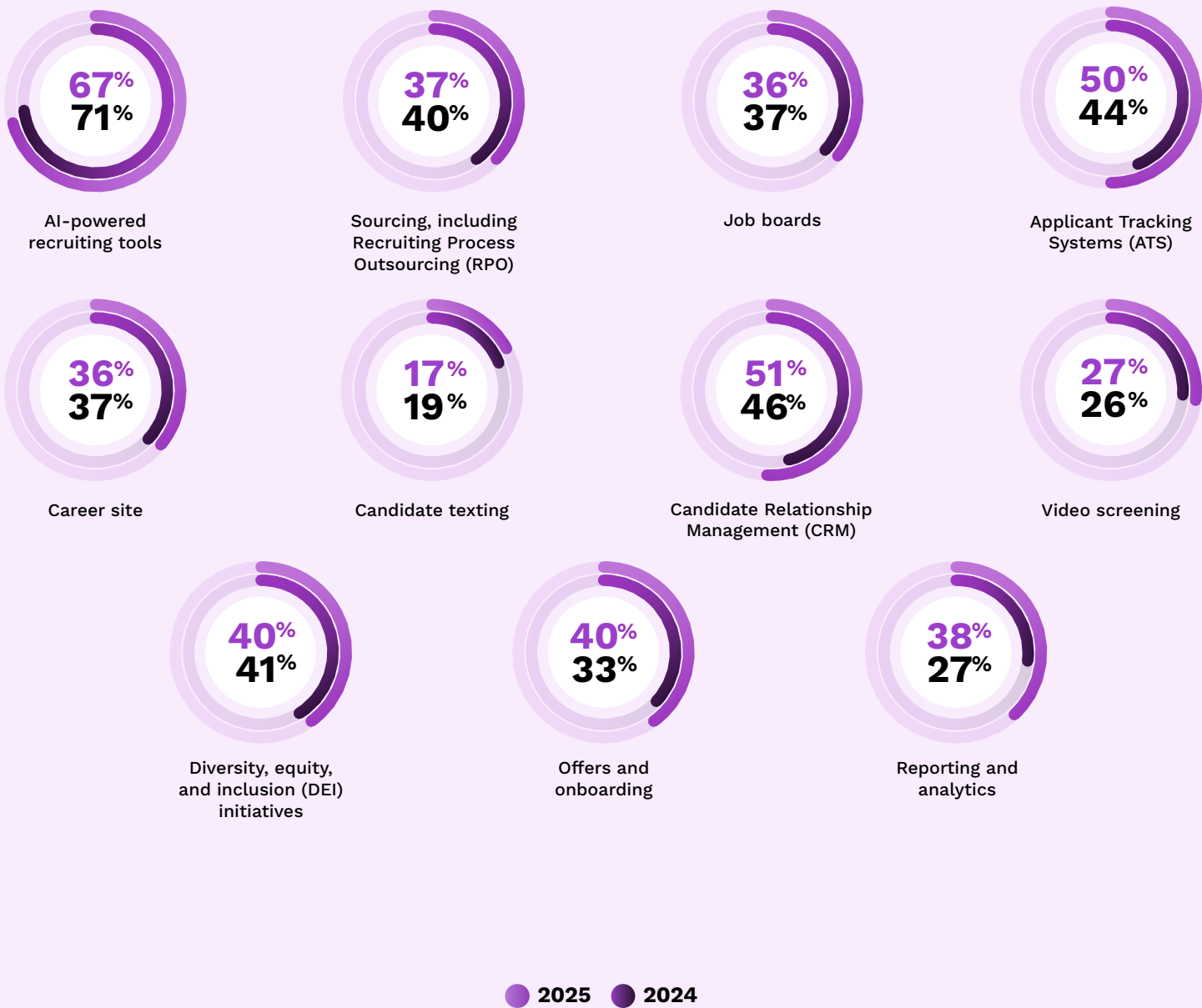
Tech Investments Are Climbing

Another notable shift in hiring priorities this year was tech investments. Thirty-nine percent of respondents listed updating or adopting new recruitment software as a top priority, up sharply from 25% in 2024. Younger generations are leading this charge with 40% of Gen Z and Millennials prioritizing tech adoption compared to just 24% of Boomers.

Where will you increase your technology budget?

Most respondents plan to direct funds toward AI-powered recruiting tools.

67%
71%
AI-powered recruiting tools

37%
40%
Sourcing, including Recruiting Process Outsourcing (RPO)

36%
37%
Job boards

50%
44%
Applicant Tracking Systems (ATS)

36%
37%
Career site

17%
19%
Candidate texting

51%
46%
Candidate Relationship Management (CRM)

27%
26%
Video screening

40%
41%
Diversity, equity, and inclusion (DEI) initiatives

40%
33%
Offers and onboarding

38%
27%
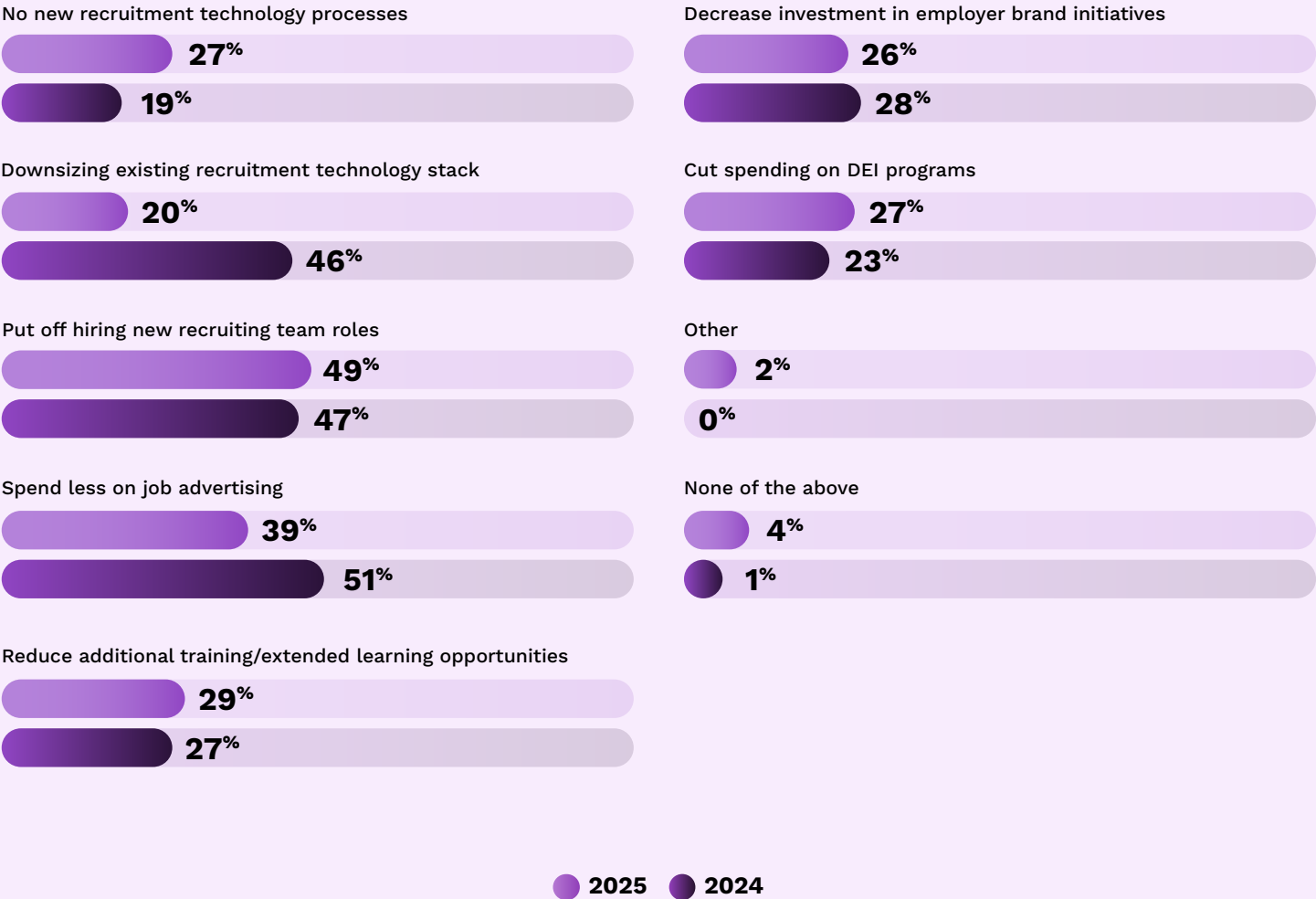Reporting and analytics

● 2025 ● 2024

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When asked about budgets, recruiters again emphasized tech. Two-thirds (67%) of respondents plan to increase their spend in the next 6–12 months, and more than half (52%) will direct funds toward new recruitment technology and processes. The top areas of investment include AI recruiting tools (67%), CRM systems (51%), and ATS platforms (50%). Even among the minority anticipating cuts, only 20% expect to downsize their recruiting tech stack—a dramatic drop from 46% last year.

The takeaway is clear: TA leaders see tech as an engine for impact and are allocating resources accordingly.

If you plan to decrease your spend in recruiting, where will you decrease your budget?

Only 20% expect to downsize their recruiting tech stack—a dramatic drop from 46% last year.

No new recruitment technology processes
27%
19%

Decrease investment in employer brand initiatives
26%
28%

Downsizing existing recruitment technology stack
20%
46%

Cut spending on DEI programs
27%
23%

Put off hiring new recruiting team roles
49%
47%

Other
2%
0%

Spend less on job advertising
39%
51%

None of the above
4%
1%

Reduce additional training/extended learning opportunities
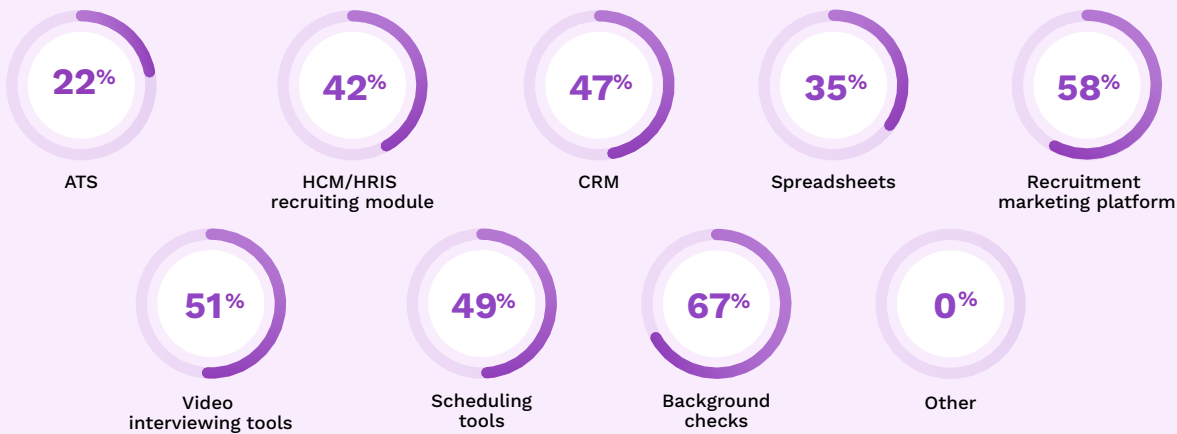29%
27%

● 2025   ● 2024

Systems Are Scattered

But while investment is growing, today's tech stacks remain fragmented. Recruiters are still juggling a patchwork of systems to get the job done: background checks (67%), recruitment marketing platforms (58%), video interviewing tools (51%), scheduling software (49%), and CRM systems (47%) all rank near the top of the list.

Surprisingly, recruitment marketing platforms (29%) are now cited more often as the primary recruiting system than traditional options like HCM/HRIS modules (18%), CRMs (16%), background check systems (14%), or even ATS platforms (9%).

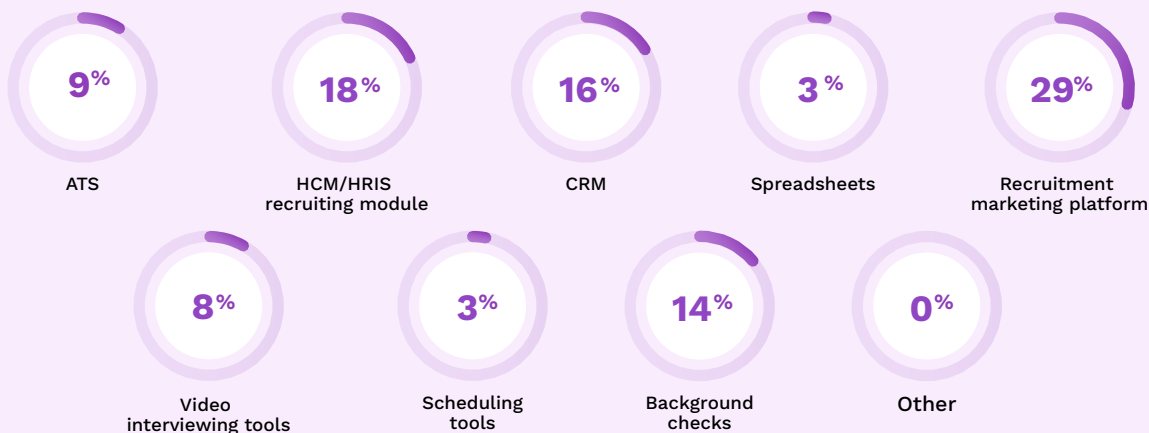### What does your organization currently use for recruiting?

Top tools include background checks, recruitment marketing platforms, and video interviewing tools.

22%	42%	47%	35%	58%
ATS	HCM/HRIS recruiting module	CRM	Spreadsheets	Recruitment marketing platform

51%	49%	67%	0%
Video interviewing tools	Scheduling tools	Background checks	Other

Rather than bringing speed, scale, and simplicity to hiring, this fragmentation instead creates a tangle of siloed tools, each handling part of the process rather than the whole. The challenges that come with this approach surfaced when we asked candidates about how satisfied they were with their tech stack.

What is your primary recruiting system?

Most respondents (29%) cite recruitment marketing platforms as their primary system.

9%	18%	16%	3%	29%
ATS	HCM/HRIS recruiting module	CRM	Spreadsheets	Recruitment marketing platform

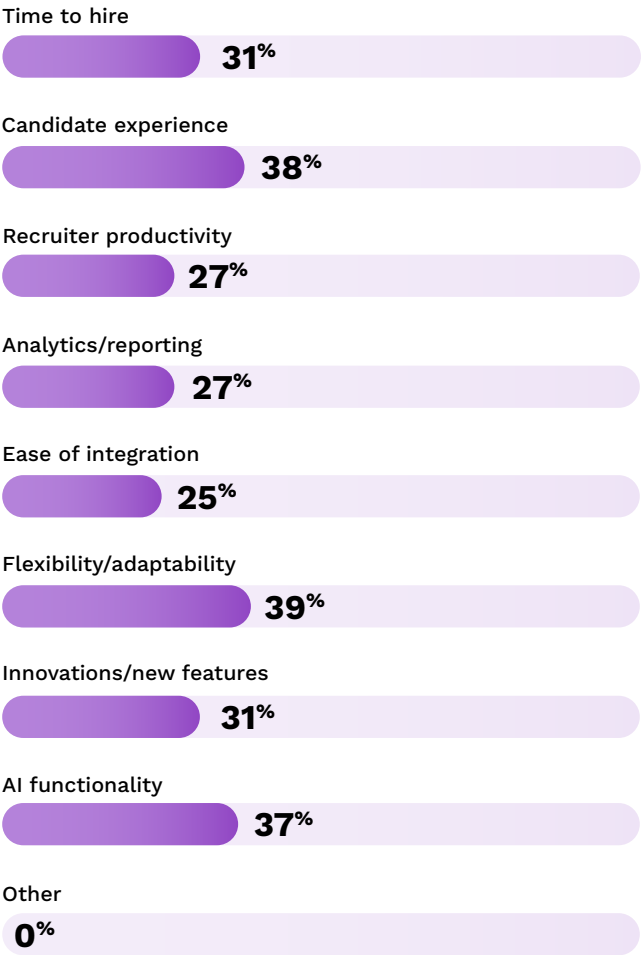| 8%	3%	14%	0%
Video interviewing tools	Scheduling tools	Background checks	Other

Satisfaction Cracks Are Showing

On the surface, satisfaction looks strong: 82% of recruiters report being satisfied with their primary system. But dig deeper, and cracks start to show. Respondents called out flexibility (39%), candidate experience (38%), AI functionality (37%), time to hire (31%), and lack of innovation (31%) as the biggest limitations with their current TA tech.

It's no surprise, then, that change is on the horizon. More than three-quarters (76%) of respondents expect to replace their primary recruiting system within the next 12–24 months. The shift is driven most aggressively by younger recruiters, large enterprises, and industries like tech, finance, and marketing—sectors where innovation pressure is highest.

Which areas are you most limited by with your current primary system?

Top limitations were flexibility, candidate experience, and AI functionality.

Time to hire
31%

Candidate experience
38%

Recruiter productivity
27%

Analytics/reporting
27%

Ease of integration
25%

Flexibility/adaptability
39%

Innovations/new features
31%

AI functionality
37%

Other
0%

What This
Means

Don't be fooled by surface-level satisfaction. Hiring strategies and candidate expectations have evolved, but much of today's TA tech hasn't kept up. Recruiters are left with rigid systems, clunky experiences, and missing AI features—prompting a wave of replacements already underway. As teams modernize their stacks, they're not just upgrading software—they're rethinking how they attract, engage, and hire talent for the future.

> "Beyond the proposed capacity of a TA solution, buyers are becoming increasingly discerning around measurable impact. Asking in-depth questions on key performance metrics demonstrates that the average buyer is increasingly savvy and wary when investing in new technologies. TA technology vendors must demonstrate meaningful impact on organizations' operations in recruiting to remain competitive."
>
> **– Matt Merker,**
> Senior Research Director,
> The Hackett Group®

The Hackett Group

How to Take **Action**

➔ **Future-proof your stack:** Look for platforms that combine multiple capabilities and prioritize AI, flexibility, and candidate experience. Don't settle for tools that solve one piece of the puzzle.

➔ **Prioritize flexibility:** When you're evaluating tech vendors, ask about how they can scale and adapt as your role, priorities, and business changes.

➔ **Plan the transition:** Structured change management is critical. Adoption only sticks when recruiters are trained, supported, and aligned across generations.

➔ **Keep investing in enablement:** Budget increases shouldn't stop at tools—ongoing recruiter training and support are key to realizing ROI.

"Applicant Tracking Systems (ATSs) have been around for a long time, and there's an opportunity to reimagine the next generation of hiring tech. At Employ, we've already got a vision for what that looks like and are laying the groundwork for bringing it to life."

Dara Brenner
CEO, Employ

AI Goes Mainstream—
With Guardrails

Key finding: AI is moving from experimentation into the mainstream, helping recruiters work faster and smarter—but concerns about compliance, governance, and fraud remain front and center.

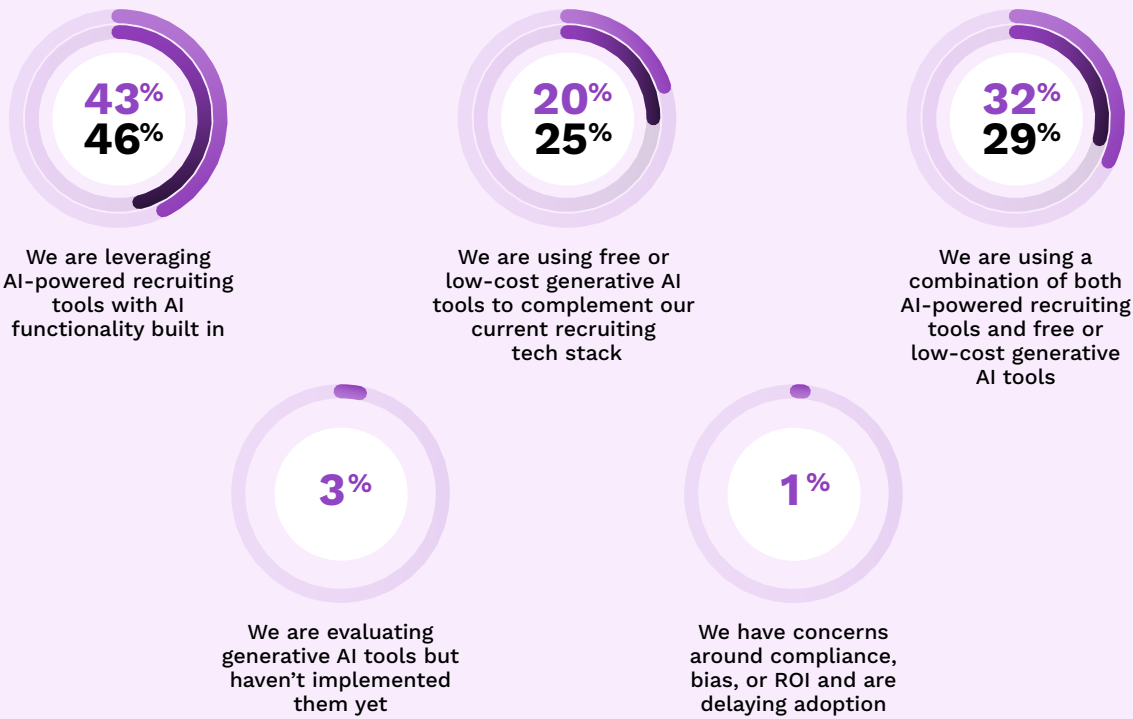# AI Adoption is Rising and Evolving

Recruiting teams are no longer asking if they should use AI—they're asking how. Two-thirds of respondents (65%) now report using AI to augment their recruiting technology, a slight increase from last year. Nearly half (43%, down from 46%) rely on AI-powered features built directly into their recruiting platforms, while one-third (32%, up from 29%) combine those tools with free or low-cost generative AI. Fewer teams are leaning exclusively on free generative AI tools (20% in 2025 vs. 25% in 2024), signaling a shift from casual experimentation to intentional, tailored usage.

The ways recruiters apply AI are changing, too. Candidate matching, once the top use case, dropped sharply (40% in 2025 vs. 55% in 2024). Instead, teams are leaning into applications that enhance communication and content creation: job description recommendations (41%), communicating information (41%), and recruitment marketing content (39%).

This shift suggests recruiters may be moving away from using AI for high-stakes, strategic decision-making and toward applications that streamline administrative tasks. Concerns about bias, compliance, and governance likely play a role in this change—and we'll dig deeper into those issues later in the report.

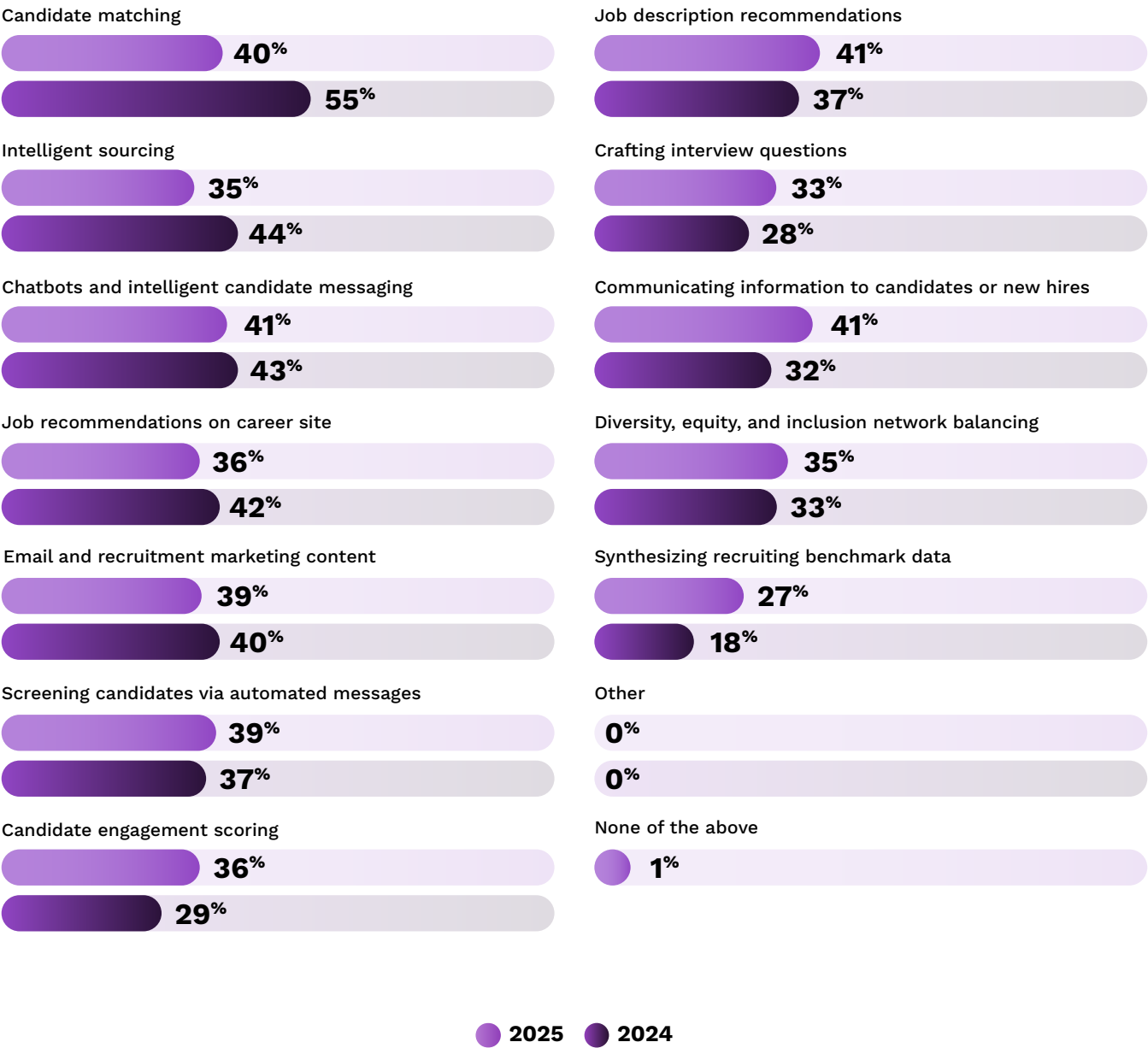## How are you leveraging AI functionality across your current recruiting technology stack?

💡 Most are using AI-powered recruiting tools alone or combining them with free/low-cost generative AI tools.

43%
46%
We are leveraging AI-powered recruiting tools with AI functionality built in

20%
25%
We are using free or low-cost generative AI tools to complement our current recruiting tech stack

32%
29%
We are using a combination of both AI-powered recruiting tools and free or low-cost generative AI tools

3%
We are evaluating generative AI tools but haven't implemented them yet

1%
We have concerns around compliance, bias, or ROI and are delaying adoption

● 2025　● 2024

What ways are you leveraging artificial intelligence in your hiring process?

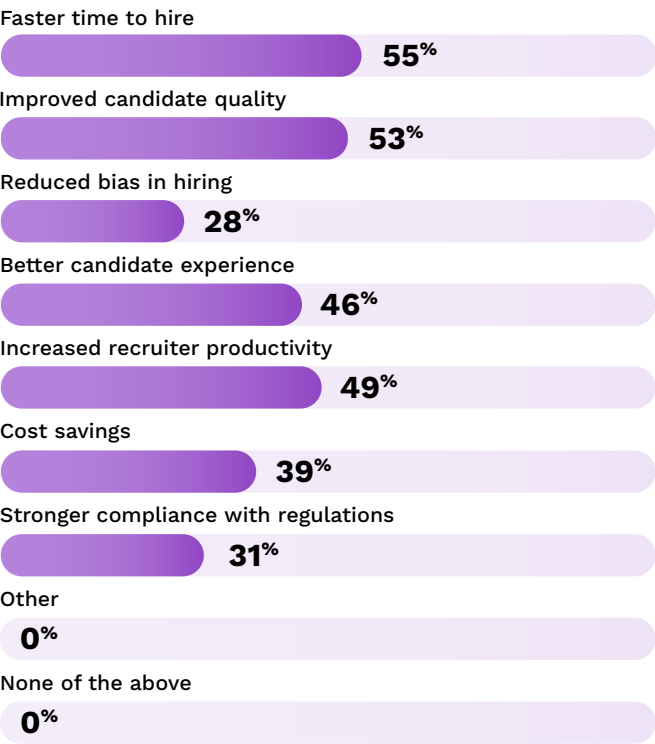💡 Candidate matching dropped significantly this year, while writing-heavy tasks took the lead.

Candidate matching
40%
55%

Intelligent sourcing
35%
44%

Chatbots and intelligent candidate messaging
41%
43%

Job recommendations on career site
36%
42%

Email and recruitment marketing content
39%
40%

Screening candidates via automated messages
39%
37%

Candidate engagement scoring
36%
29%

Job description recommendations
41%
37%

Crafting interview questions
33%
28%

Communicating information to candidates or new hires
41%
32%

Diversity, equity, and inclusion network balancing
35%
33%

Synthesizing recruiting benchmark data
27%
18%

Other
0%
0%

None of the above
1%

● 2025   ● 2024

Recruiters Are Reaping AI Benefits

AI adoption isn't just expanding—it's delivering results. Teams report faster time to hire (55%), better candidate quality (53%), higher recruiter productivity (49%), and improved candidate experiences (46%).

Just as importantly, AI is changing how recruiters spend their time. Most teams are shifting hours away from administrative tasks and toward higher-value work: recruiter and hiring manager upskilling (45%), high-touch candidate engagement (38%), and strategic analytics and reporting (36%). Large enterprises report the biggest gains, with half of recruiters redirecting time toward strategic activities compared to only 15% in small businesses.

AI is even showing up as a well-being benefit. Among recruiters who reported lower stress levels this year, 42% attributed the change to their organization's investment in AI recruiting tools—a clear sign that the right automation can reduce burnout as well as busywork.
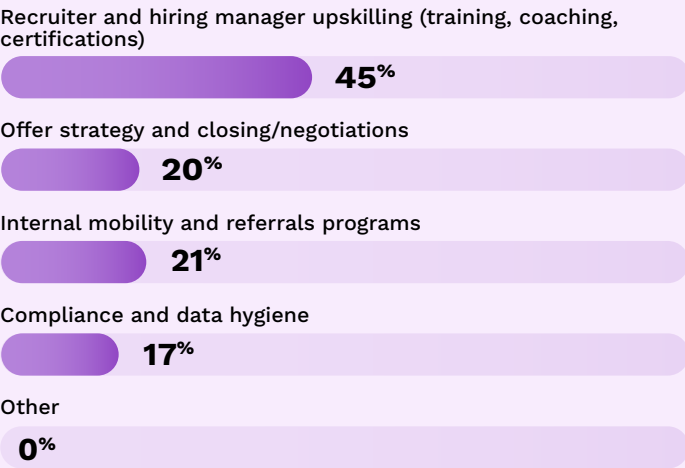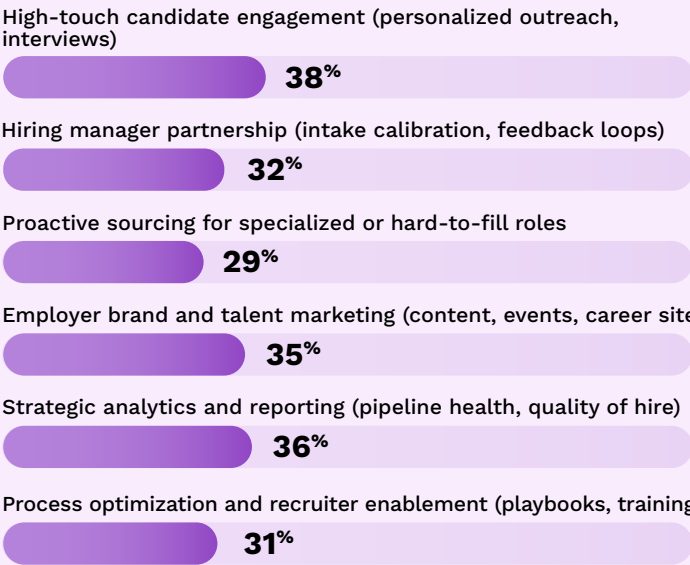
What benefits has your organization experienced from using AI in recruiting?

The top three benefits are faster time to hire, better candidate quality, and higher recruiter productivity.

| Benefit	%
Faster time to hire	55%
Improved candidate quality	53%
Reduced bias in hiring	28%
Better candidate experience	46%
Increased recruiter productivity	49%
Cost savings	39%
Stronger compliance with regulations	31%
Other	0%
None of the above	0%

Where has your team refocused their efforts?

Teams are refocusing most on recruiter and hiring manager upskilling, high-touch candidate engagement, and strategic analytics and reporting.

| Area	%
High-touch candidate engagement (personalized outreach, interviews)	38%
Hiring manager partnership (intake calibration, feedback loops)	32%
Proactive sourcing for specialized or hard-to-fill roles	29%
Employer brand and talent marketing (content, events, career site)	35%
Strategic analytics and reporting (pipeline health, quality of hire)	36%
Process optimization and recruiter enablement (playbooks, training)	31%
Recruiter and hiring manager upskilling (training, coaching, certifications)	45%
Offer strategy and closing/negotiations	20%
Internal mobility and referrals programs	21%
Compliance and data hygiene	17%
Other	0%

Why is your recruiting job less stressful today?

💡 Most respondents (42%) listed investment in AI-powered recruiting technologies as the reason for lower stress levels.
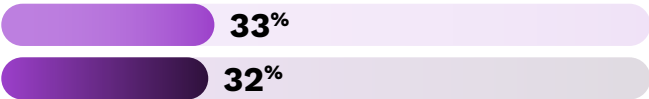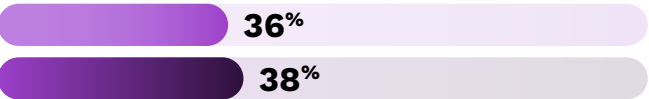
Stable number of open roles to fill
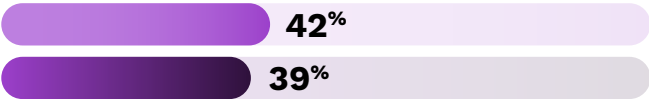- 30%
- 33%
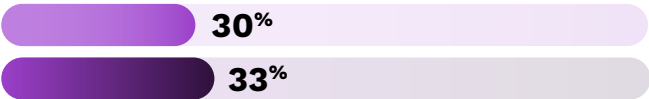
No noticeable competition from other employers
- 14%
- 13%
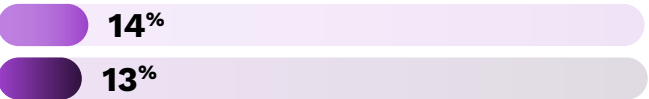
More recruiters or additional recruiting resources
- 33%
- 32%

Ability to meet candidate expectations
- 36%
- 38%

Investment in AI-powered recruiting technologies
- 42%
- 39%

No concern over losing job
- 28%
- 23%
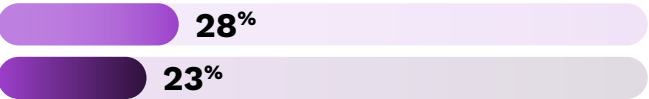
Senior leadership is supportive
- 32%
- 35%
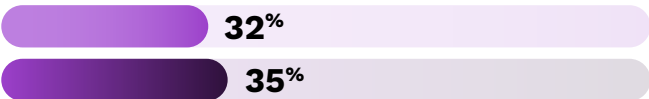
Mental health support is a priority
- 23%
- 16%
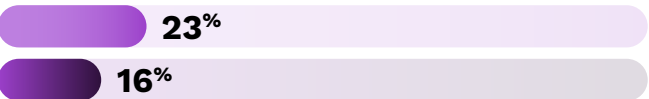
The same or fewer employees leaving the organization
- 24%
- 24%
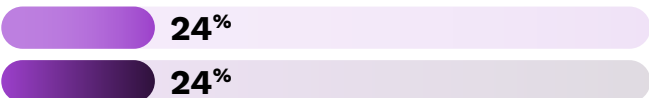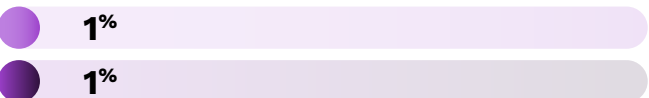
Other
- 1%
- 1%

Plenty of qualified candidates
- 32%
- 30%
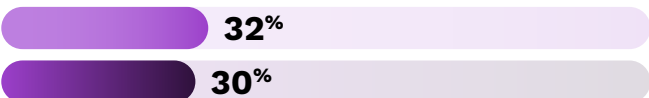
● 2025 ● 2024

Risks & Governance Move to the Forefront

Even as AI goes mainstream, caution remains. Nearly 40% of non-adopters are waiting for the technology to mature, while others cite worries about privacy, bias, or candidate experience.

These concerns are shaping buying decisions. More than half of surveyed HR decision makers (59%) say data privacy and security are the most important factors when evaluating AI tools, followed closely by human oversight (58%), explainability (50%), compliance with regulations (45%), and bias reduction (36%).

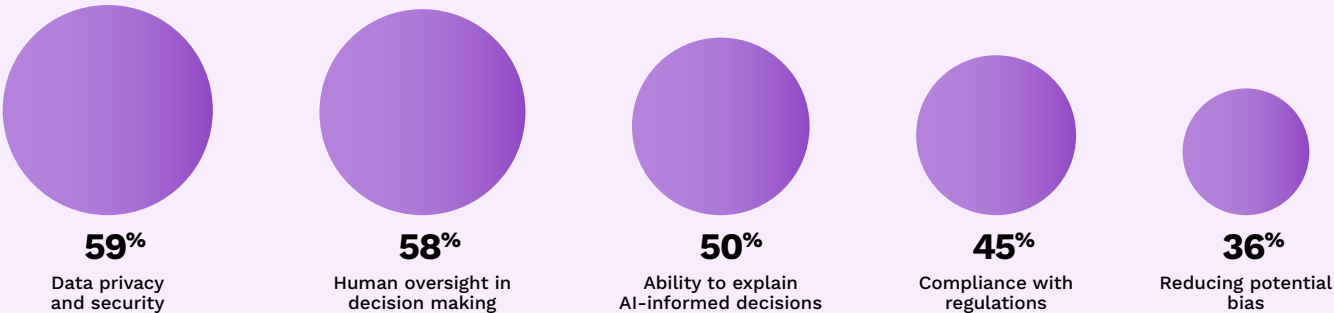## Why aren't you using AI to augment your recruiting technology?

Respondents cited waiting to see how AI develops before making investments as the top reason for delaying adoption.

24%	22%	26%	26%	21%
Lack of budget/resources to invest in AI tools	Unsure about ROI or business value of AI in recruiting	Concerns about bias, compliance, or legal risk	Leadership does not see AI as a priority	Current recruitment technology meets our needs without AI

28%	38%	33%	2%
Concern that AI may negatively impact candidate experience	Waiting to see how AI develops before making investments	Security or data privacy concerns	Other

Governance is gaining traction as a response. Nearly half (49%) of organizations already have formal AI governance policies in place, and another 38% are piloting them. Responsibility most often sits with TA/HR (38%) or IT (34%), underscoring the need for cross-functional alignment and accountability. The way an organization adopts AI—and the guardrails you set—shapes more than just compliance. It shapes culture. That's why HR must have a seat at the table alongside IT to ensure AI is implemented safely, ethically, and in a way that reflects company values.
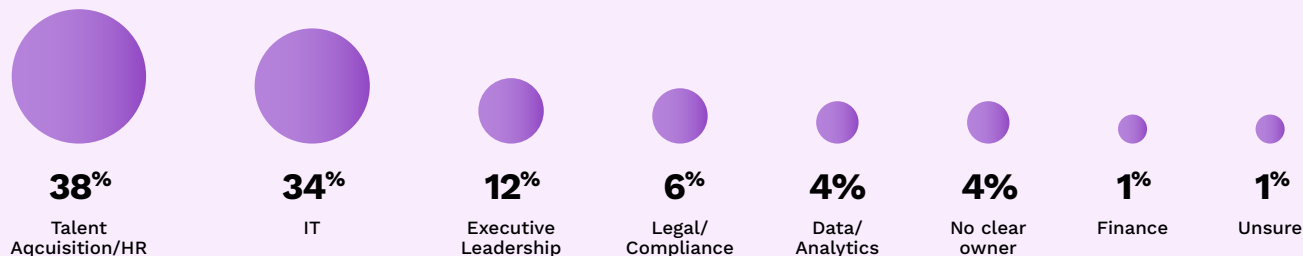
What are the most important factors when evaluating AI recruiting tools?

Most (59%) say data privacy and security, followed closely by human oversight in decision making (58%).

59%	58%	50%	45%	36%
Data privacy and security	Human oversight in decision making	Ability to explain AI-informed decisions	Compliance with regulations	Reducing potential bias

What department is responsible for AI governance in recruiting at your organization?

💡 Most respondents said Talent Acquisition/HR (38%) or IT (34%).

38%	**34%**	**12%**	**6%**	**4%**	**4%**	**1%**	**1%**
Talent Aqcuisition/HR	IT	Executive Leadership	Legal/ Compliance	Data/ Analytics	No clear owner	Finance	Unsure

A New Concern Emerges: Candidate Fraud

A newer risk is also entering the picture: AI-driven candidate fraud. While 57% of recruiters say they haven't encountered it yet, nearly a quarter (23%) have—enough to put fraud detection and prevention squarely on the radar for TA leaders moving forward.

"AI brings new solutions but also new challenges to the talent acquisition process. Candidate fraud is becoming an increasing concern as organizations struggle to discern fact from fiction in their candidate pools. Enhancing a TA division's capabilities with AI must now also include enhancements that combat AI from external parties."

– **Matt Merker,**
Senior Research Director,
The Hackett Group®

The Hackett Group

What This
Means

AI is moving from hype to habit. Recruiters are using it more strategically and in new ways that work best for their company, role, and priorities. This shift is already paying off with many teams moving admin work off their plates in favor of engagement, analytics, and training. And it's not just efficiency gains—it's showing up as a well-being benefit, too. But adoption comes with responsibility. TA leaders must pair experimentation with strong governance, thoughtful rollout, and proactive fraud prevention.

How to Take **Action**

➜ **Be transparent about AI:** It's important to let candidates know how and where AI is being used in the hiring process. Communicate your company's stance clearly, from published terms of use to candidate-facing disclaimers in job postings. This builds trust and shows your organization values responsible, people-first adoption.

➜ **Build guardrails with HR at the table:** Pair IT expertise with HR leadership to design governance policies that prioritize trust, explainability, responsibility, and cultural alignment. The way you set AI guardrails doesn't just affect compliance—it shapes your candidate and employee experience.

➜ **Define your fraud prevention approach:** Candidate fraud is a rising risk, and the time to start preventing it is now. Rather than using rigid, front-loaded ID checks that hurt pipelines and disadvantage candidates, we recommend a layered approach. Use light screening and bot detection early, consistency checks mid-funnel, and guided ID verification and background checks late in the process. This approach balances security, inclusivity, and candidate trust.
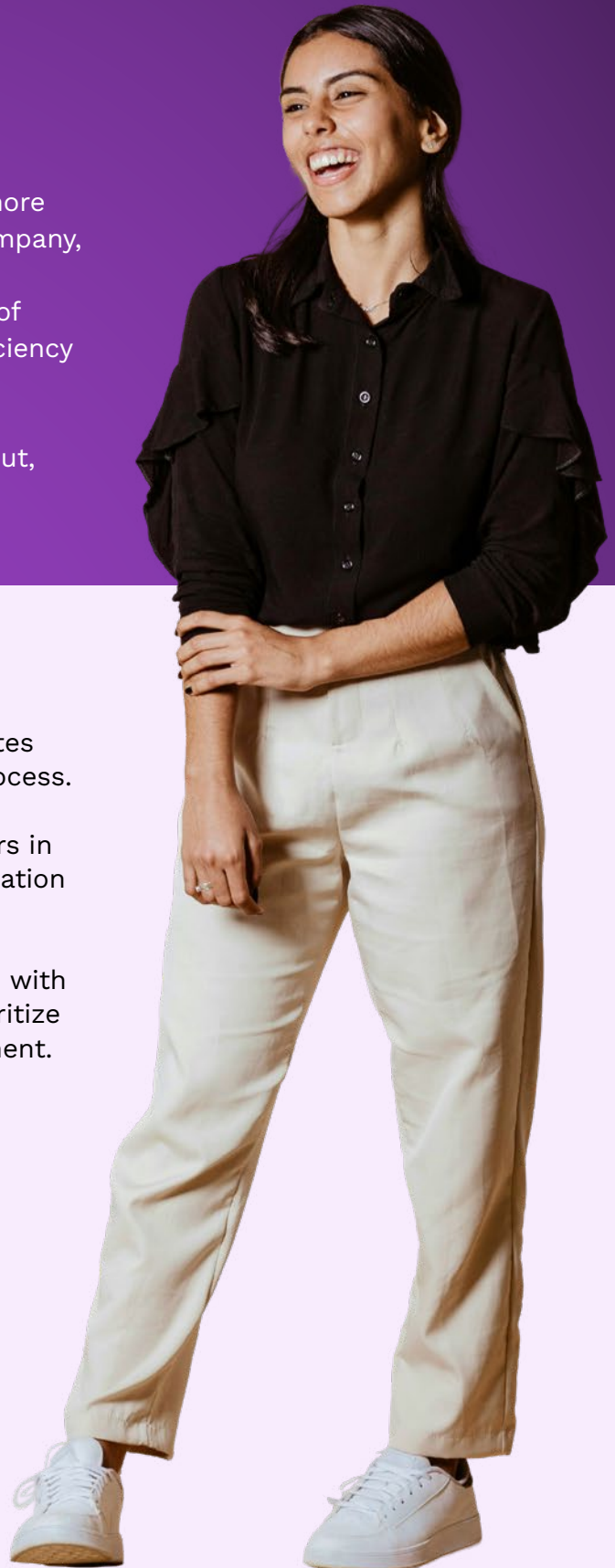
Turning Data Into
Decisions

Key finding: Analytics are now table stakes in recruiting, but most teams are still scratching the surface—relying heavily on spreadsheets and pulling "what happened" metrics instead of forward-looking insights.

Adoption is Widespread (But Uneven)

Recruiters today know the value of data. When captured and applied effectively, analytics can uncover efficiencies, predict candidate success, and prove TA's ROI. It's no surprise, then, that 82% of respondents said they use analytics to improve their recruiting strategy.

Adoption is strongest in communication/marketing/advertising (94%), finance/insurance/accounting (91%), and software/technology (91%). It's lower in less technical sectors such as hospitality/event planning (64%), retail (74%), and transportation/utilities (71%). Larger companies are also further ahead: 86% of organizations with 250+ employees leverage analytics, compared with just 74% of small businesses. Bigger budgets and stronger executive buy-in likely explain why larger and more technical organizations are leading the charge.
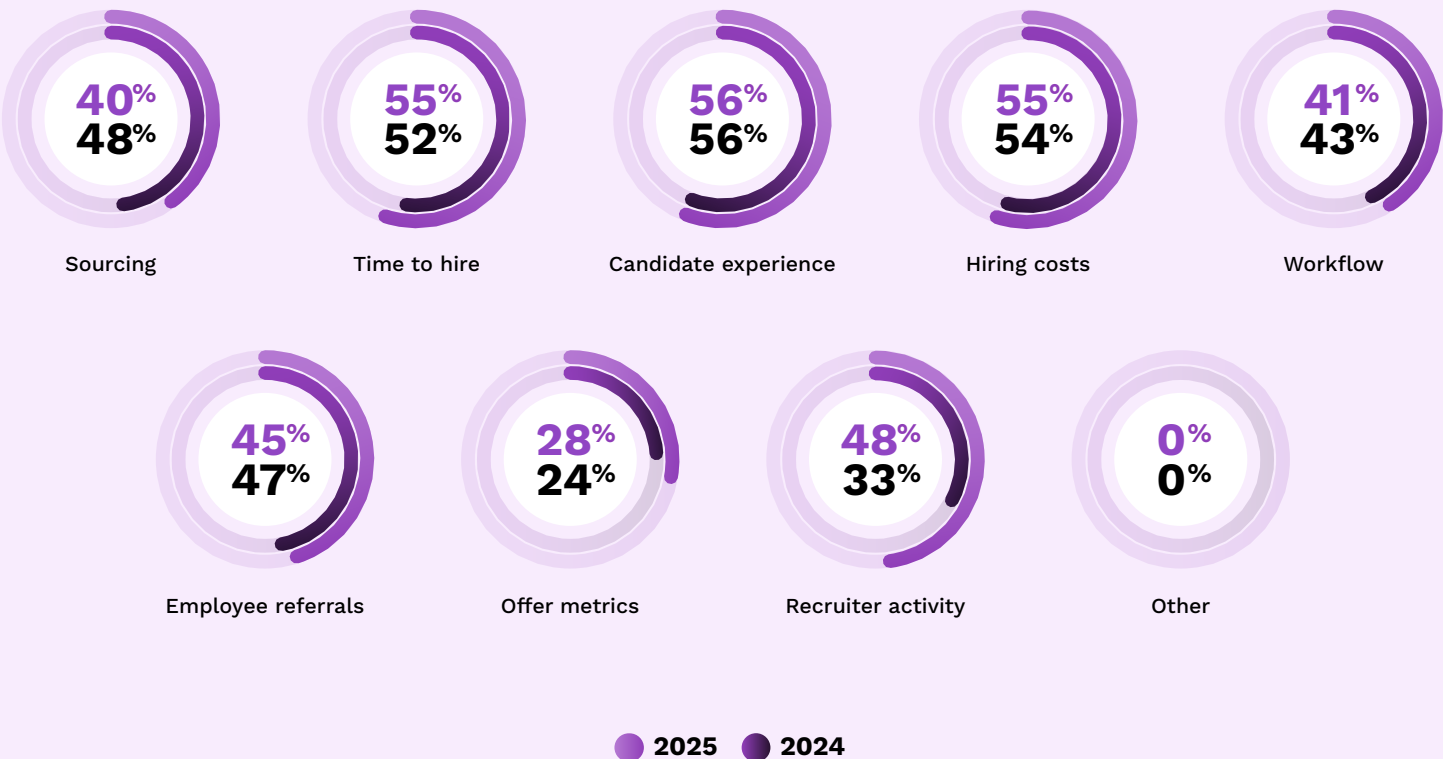
But while analytics use is widespread, how teams are using data tells a more complicated story.

What's Being Measured vs. What Data Matters

When asked what reports are pulled most often, recruiters pointed to candidate experience (56%), hiring costs (55%), time to hire (55%), recruiter activity (48%, up from 33% last year), employee referrals (45%), and sourcing (40%). These metrics are useful but largely operational—they show what's already happened, not what's ahead.

What reports are you pulling or being asked for?

💡 Candidate experience (56%) was ranked the highest, followed closely by hiring costs (55%) and time to hire (55%).

40% **48%**	**55%** **52%**	**56%** **56%**	**55%** **54%**	**41%** **43%**
Sourcing	Time to hire	Candidate experience	Hiring costs	Workflow

45% **47%**	**28%** **24%**	**48%** **33%**	**0%** **0%**
Employee referrals	Offer metrics	Recruiter activity	Other

● 2025 ● 2024

When asked which metrics matter most, the answers shifted. Thirty percent of HR decision-makers ranked retention rate of hire as the most valuable, followed by source of hire (10%), hiring manager satisfaction (9%), quality of hire (9%), candidate satisfaction (9%) and recruiter satisfaction (8%). Among director-level recruiters, 39% identified quality of hire as the top metric, compared with 19% of executives and 12% of consultants.

The disconnect is clear: TA leaders want to track data that predicts long-term success, but they're still pulling reports that look backward.

Rank in order the most valuable metric you use to track recruiting success, with 1 the most valuable and 10 the least valuable.

Across all respondents, the majority (30%) ranked quality of hire as the most valuable metric for tracking recruiting success.

	Most valuable 1	2	3	4	5	6	7	8	9	10 Least valuable
Time to fill	7%	13%	11%	10%	11%	10%	11%	11%	9%	9%
Cost per hire	9%	11%	11%	11%	9%	10%	10%	10%	11%	9%
Quality of hire	30%	11%	9%	8%	7%	7%	6%	7%	9%	6%
Retention rate of hire	10%	10%	11%	11%	9%	10%	9%	9%	11%	9%
Source of hire	6%	9%	9%	9%	12%	11%	13%	9%	11%	12%
Hiring manager satisfaction	9%	10%	9%	10%	9%	10%	10%	12%	10%	10%
Candidate satisfaction	8%	10%	11%	12%	12%	10%	10%	9%	9%	9%
Recruiter satisfaction	7%	9%	9%	11%	8%	11%	11%	12%	11%	12%
Application conversion rates	7%	7%	9%	9%	11%	11%	11%	12%	11%	12%
Diversity of talent pipeline	7%	9%	10%	10%	12%	10%	10%	10%	10%	12%

Spreadsheets Stifle Progress

Part of the problem is the tools themselves. Despite widespread adoption of analytics, most teams (79%) still rely on spreadsheets to manage reporting. Respondents from small businesses with fewer than 50 employees (40%) and from very large businesses with 5,000+ employees (31%) are more likely to rely on other tools for analytics, compared with recruiters from mid-market businesses or enterprises with 100–5,000 employees (18%).

Among those moving beyond spreadsheets, ATS platforms paired with CRM systems are the most common tech setup. AI-powered tools like Copilot, Perplexity, and Gemini are starting to gain traction, cited by 14% of respondents. Still, many teams rely on a patchwork of productivity tools (Excel, Google Workspace) and add-ons (calendars, background checks, video interviewing) to close reporting gaps.

The reliance on fragmented tools helps explain why so many teams still struggle to move past operational reporting. Spreadsheets and scattered systems can track time to fill and cost per hire, but they aren't built to measure quality of hire—or to provide predictive insights that anticipate pipeline health or candidate success.

What This
Means

Recruiters know what they want to measure—retention, quality of hire, long-term impact—but they're still stuck in the weeds of tracking costs, time, and activity. The result is a gap between aspiration and reality: teams want to make strategic, forward-looking decisions, but their tools and practices keep them focused on backward-looking efficiency metrics. Closing that gap will require both better technology and stronger data fluency across TA teams.

> "The findings from this year's Recruiter Nation Report reflect what we've experienced firsthand. We've moved beyond time-to-fill as a primary success metric, focusing instead on attracting higher-quality talent and improving the candidate experience. That shift has helped us optimize every stage of talent engagement—from writing stronger job marketing descriptions to removing barriers within the application process and creating more personalized candidate interactions."

> – **Cameron Ellis,**
> Talent Engagement Manager,
> The Marcus Corporation

Marcus CORPORATION

How to Take **Action**

➔ **Shift from reports to insights:** Focus less on building dashboards and more on translating data into guidance that informs strategy.

➔ **Move beyond spreadsheets:** Consolidate reporting into ATS, CRM, or other platforms with built-in analytics to reduce manual work and improve accuracy.

➔ **Close the gap on outcomes:** Track outcome-based metrics like quality of hire and retention—not just efficiency measures—to prove long-term impact.

➔ **Invest in AI:** Adopt AI-powered tools that do more than report what happened. Use ROI dashboards to surface process improvements in real time, and predictive analytics to forecast candidate success and pipeline health.

➔ **Build data fluency:** Upskill recruiters and hiring managers to interpret insights and act on them quickly—shifting from reactive to proactive decision-making.

Skills-Based Hiring Gains Traction (But Faces Roadblocks)

Key finding: Skills-based hiring is gaining traction and delivering results in quality, speed, and diversity—but challenges around measurement and adoption keep it from reaching full potential.
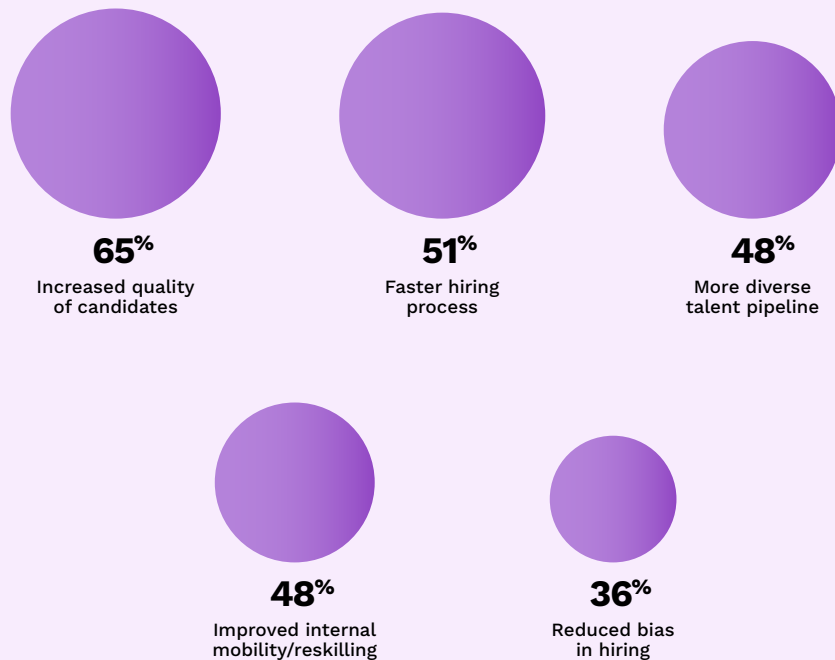
Skills-Based Is Becoming Standard Practice

Most HR decision-makers (91%) say their organizations now evaluate candidates primarily on skills rather than degrees or job titles. For some, this shift is sweeping: 41% say skills-based hiring is used broadly across all roles. For others, adoption is a more cautious, phased approach, with 50% applying it selectively in certain areas of the business.

Early Adopters See Real Payoff

The benefits are hard to ignore. Nearly two-thirds (65%) of respondents said skills-based hiring has improved candidate quality, while more than half (51%) report faster hiring processes. Close behind, organizations are seeing stronger diversity of their talent pipelines (48%) and improved internal mobility or reskilling opportunities (48%). Together, these results show that skills-based approaches don't just open the funnel— they also help employers strengthen and grow their internal talent pools.

What benefits have you seen (or expect) from skills-based hiring?

Most said improved candidate quality (65%), followed by faster hiring processes (51%), more diverse talent pipeline (48%), and improved internal mobility or reskilling opportunities (48%).
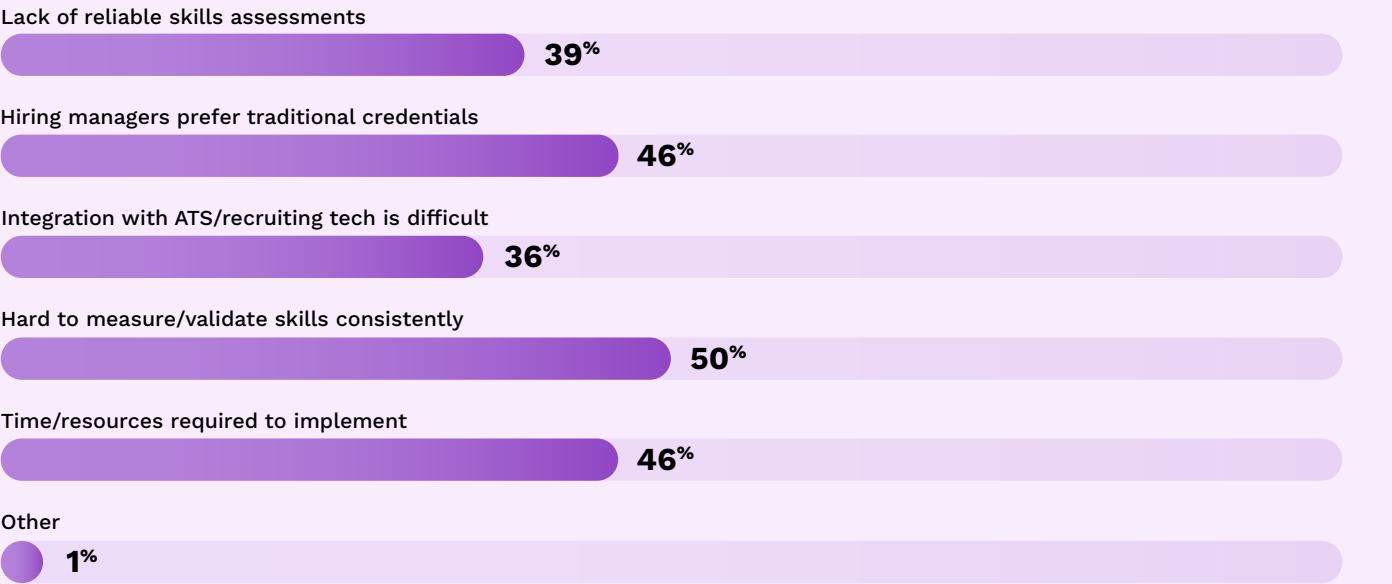
65%
Increased quality
of candidates

51%
Faster hiring
process

48%
More diverse
talent pipeline

48%
Improved internal
mobility/reskilling

36%
Reduced bias
in hiring

Practical Challenges Slow Momentum

Despite strong adoption, applying skills-based practices isn't frictionless. When asked about the biggest adoption challenges, half of surveyed HR leaders (50%) said it's difficult to measure or validate skills consistently. Other top barriers include hiring managers' continued preference for traditional credentials (46%), the time/resources required to implement (46%), and lack of reliable skills assessments (39%).

These challenges vary by industry. For example, recruiters in government are especially likely to report difficulty measuring or validating skills (72%), compared with about half of respondents in other sectors.

What challenges do you face in adopting skills-based hiring?

Half (50%) said it's difficult to measure skills consistently, followed by hiring managers preferring traditional credentials (46%) and the time/resources required to implement (46%).

Lack of reliable skills assessments
39%

Hiring managers prefer traditional credentials
46%

Integration with ATS/recruiting tech is difficult
36%

Hard to measure/validate skills consistently
50%

Time/resources required to implement
46%

Other
1%

What This
Means

Skills-based hiring is no longer just a trend—it's becoming part of standard practice, and early adopters are already seeing the benefits. But progress is uneven. Without consistent ways to measure and validate skills, adoption will remain selective rather than widespread. Building tools, processes, and manager buy-in will be key to unlocking its full potential.

> "Skills-based hiring future-proofs your organization. When you hire for adaptability and resilience, you're building teams that can evolve with the business. The role you're hiring for today won't be the same in five years—and the right people will grow with you."
>
> **– Stephanie Manzelli,**
> Chief People Officer,
> Employ

employ

How to Take **Action**

➜ **Educate hiring managers:** Provide training and change management to help leaders look beyond degrees and past job titles.

➜ **Standardize skills measurement:** Invest in validated skills assessments and train interviewers on structured frameworks to ensure every candidate is evaluated consistently.

➜ **Leverage tech:** Use ATS/CRM platforms with skills-based matching capabilities to streamline evaluation and reduce manual effort.

➜ **Create a structured interview process:** Record interviews and use AI tools to summarize key insights, give interviewers immediate feedback, and guide them toward skills-based questions. This makes it easier to compare candidates on capabilities and ensures a fair, consistent, and responsible process.

➜ **Connect skills to career paths:** Apply skills-based hiring internally to help employees move up or sideways in the org, boosting retention.

Benchmarks:
Speed, Volume, and Conversion

Key finding: While time-to-fill is fast and applicant volume is up, pipelines remain shallow and offer acceptance rates are low.
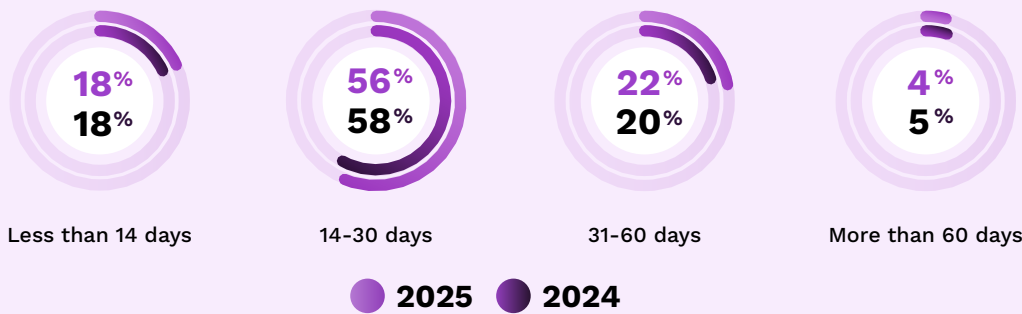
Time to Fill Depends on Industry

Most organizations are hiring quickly. Seventy-four percent of surveyed HR decision-makers reported filling roles in under 30 days. But speed depends heavily on the industry. In education (45%), government (33%), clinical healthcare (32%) and non-clinical healthcare (33%), hiring timelines stretch longer due to the specialized and regulated nature of roles. For these sectors, efficiency gains are harder to achieve, and recruiters face added pressure to keep candidates engaged during longer processes.

On average, how long have job openings at your organization been taking to fill?

Most respondents (74%) said they fill roles in under 30 days.

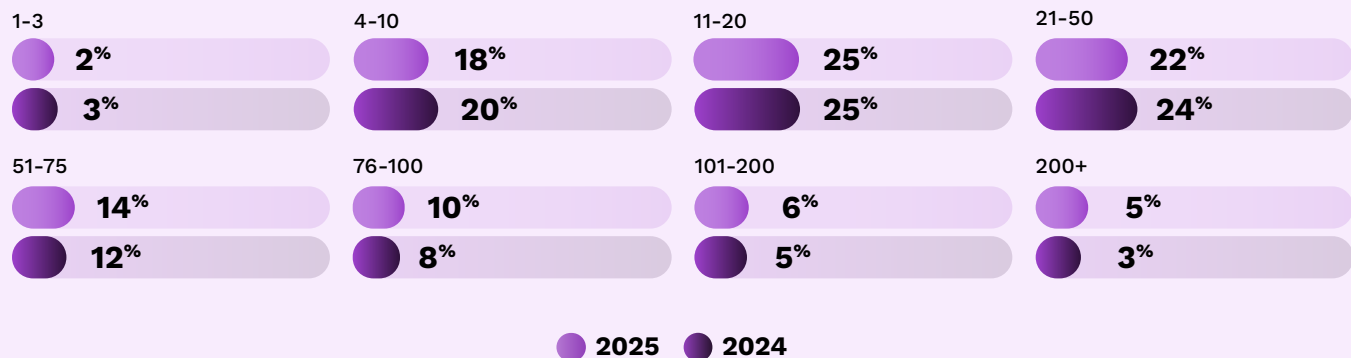| Less than 14 days	14-30 days	31-60 days	More than 60 days
18% / 18%	56% / 58%	22% / 20%	4% / 5%

● 2025 ● 2024

Applicant Volume Is Up—But Modest

Applicant numbers are rising year-over-year. Two-thirds (66%) of recruiters said applicants per requisition increased either "a lot more" or "somewhat more" in the past year. Even so, most recruiters report relatively modest pools—typically 11–20 applicants (25%), 21–50 (22%), or 4–10 (18%) per role.

And within those shallow applicant pools, quality isn't guaranteed. Forty-three percent of recruiters said they interviewed more than half their applicants. That suggests qualified matches aren't surfacing early, forcing teams to advance more candidates just to keep searches moving. Volume may be improving, but it's not yet translating into stronger pipelines.
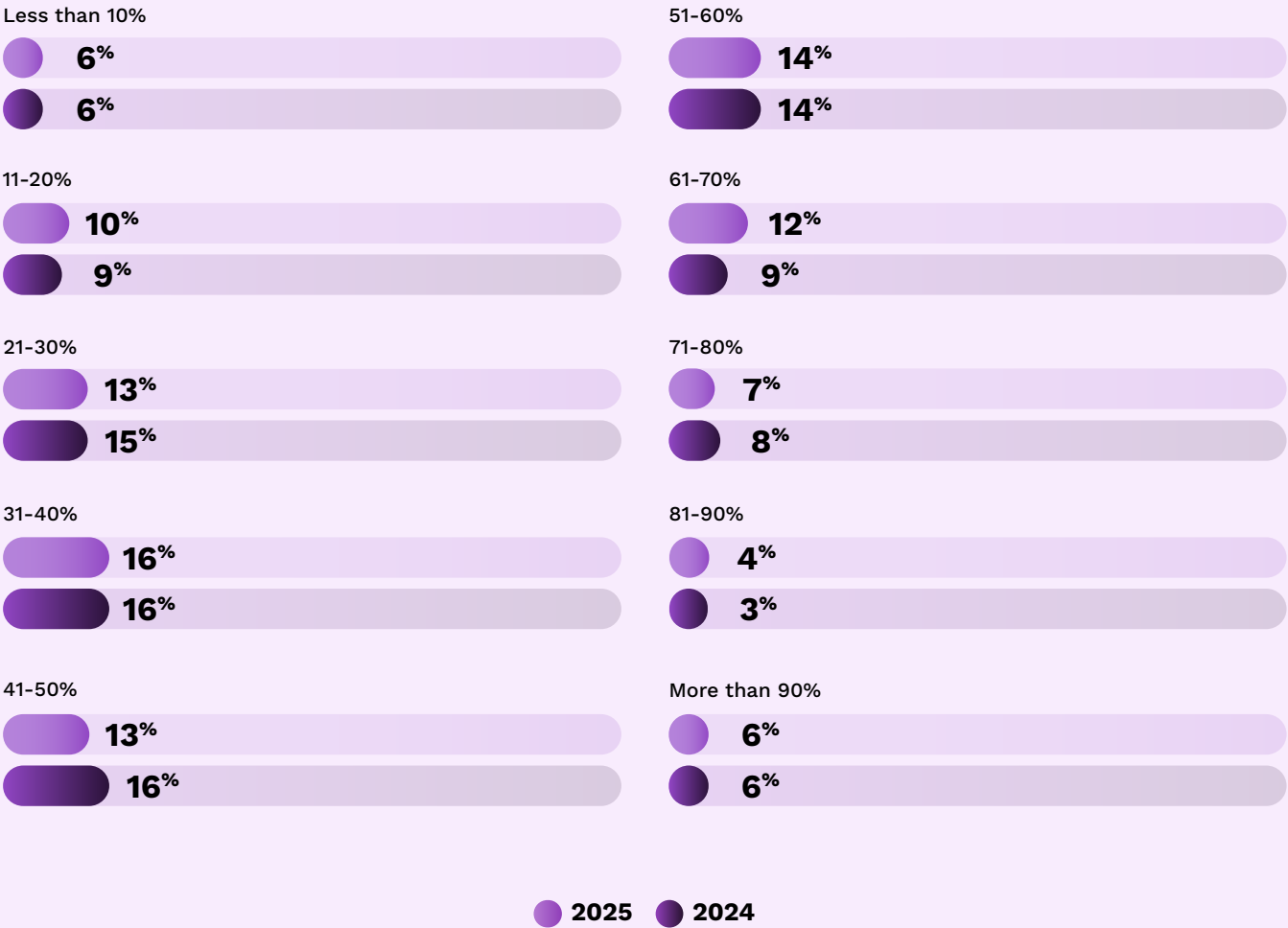
On average, how many applicants do you receive per job?

11–20 applicants (25%), 21–50 (22%), or 4–10 (18%) per role.

	1-3	4-10	11-20	21-50
2025	2%	18%	25%	22%
2024	3%	20%	25%	24%

	51-75	76-100	101-200	200+
2025	14%	10%	6%	5%
2024	12%	8%	5%	3%

● 2025 ● 2024

What percent of applicants do you interview?

💡 43% of respondents said they interviewed more than half of applicants.

Less than 10%
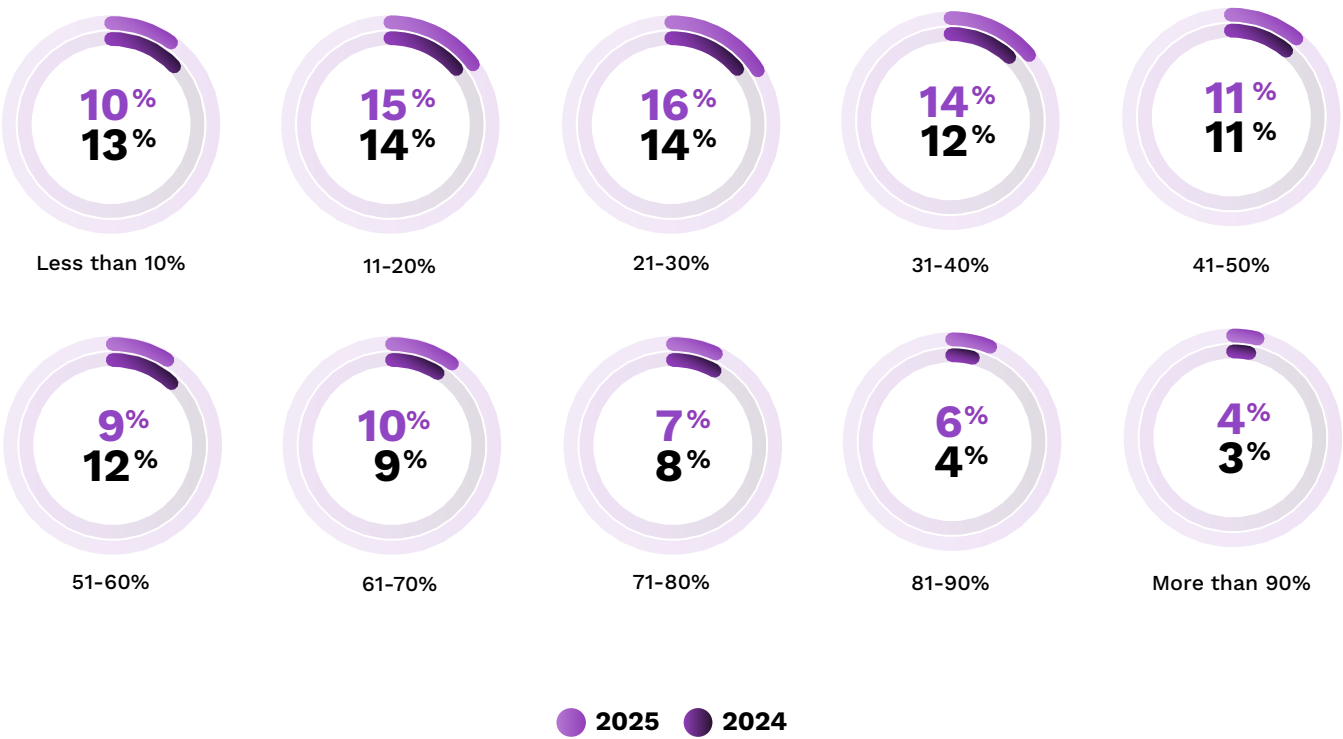- 6% (2025)
- 6% (2024)

51-60%
- 14% (2025)
- 14% (2024)

11-20%
- 10% (2025)
- 9% (2024)

61-70%
- 12% (2025)
- 9% (2024)

21-30%
- 13% (2025)
- 15% (2024)

71-80%
- 7% (2025)
- 8% (2024)

31-40%
- 16% (2025)
- 16% (2024)

81-90%
- 4% (2025)
- 3% (2024)

41-50%
- 13% (2025)
- 16% (2024)

More than 90%
- 6% (2025)
- 6% (2024)

● 2025   ● 2024

Offer Acceptance Remains Weak

Conversion is the toughest hurdle. More than half (55%) of recruiters said 40% or fewer of their offers are accepted—a figure nearly identical to last year. In some industries, conversion rates are especially weak: government (39%), hospitality (37%), and clinical healthcare (33%) were more likely to report offer acceptance rates below 20% compared with other industries.

What percent of offers are accepted?

💡 More than half (55%) said 40% or fewer of their offers are accepted.

10% / 13%	15% / 14%	16% / 14%	14% / 12%	11% / 11%
Less than 10%	11–20%	21–30%	31–40%	41–50%
9% / 12%	10% / 9%	7% / 8%	6% / 4%	4% / 3%
51–60%	61–70%	71–80%	81–90%	More than 90%

● 2025 ● 2024

What This
Means

Applicant volume is improving, but most pipelines remain modest at just 11–50 applicants per role. That helps explain why getting more candidates per role has become a growing priority. Recruiters say they need more applicants because quality is still falling short—creating shallow pipelines, higher interview ratios, and low offer acceptance rates.

It's a continuation of the same trend we saw earlier: recruiters are still walking the tightrope between volume and quality—and feeling the strain on both sides.

> "More candidates doesn't always mean better matches. It's easy to confuse a full pipeline with a healthy one. The real win is when your tech helps you find fit—not just fill. That's where data and human insight work best together."
>
> **– Tami Nutt,**
> VP of Research & Insights,
> Aspect43

aspect43

How to Take **Action**

➜ **Widen reach with precision:** Use job ads, recruitment marketing, and sourcing tools to grow applicant pools without sacrificing targeting.

➜ **Improve early screening:** Layer in AI screening tools or structured assessments to better identify quality fits early and reduce wasted interviews.

➜ **Boost offer acceptance:** Audit compensation, speed, and candidate experience against competitors to improve conversion.

➜ **Tailor strategies by sector:** For industries like education, government, and healthcare, address slow processes by investing in automation and candidate communication to keep pipelines warm.

Key Takeaways

and Next Steps

This year's Recruiter Nation Report shows a market that's evolving, not stalling. Hiring is holding strong, optimism is rising, and pipelines are expanding. What's changing are the priorities: recruiters are widening funnels, investing in technology, and rethinking how they measure success.

AI, skills-based hiring, and advanced analytics are no longer experimental—they're delivering real gains in speed, quality, and impact. The following takeaways highlight where teams are finding traction and how TA leaders can put these insights to work.

> "This year's Recruiter Nation tells a powerful story: hiring is accelerating, optimism is high, but so are the stakes. Things like shallow pipelines and tech silos aren't just headaches—they're barriers to progress. But what's exciting is that we're finally seeing solutions take hold. AI, skills-based hiring, and smarter analytics aren't just buzzwords anymore. These are the tools TA teams use to move faster, hire better, and prove their impact. It isn't about hype. It's about action."
>
> **– William Tincup,**
> Analyst and Host,
> WRKdefined

WRK defined

AI is **closing the gap** between challenges and priorities

Recruiters cite candidate quality and candidate experience as top priorities, and our findings show AI is already making an impact in both areas. This alignment demonstrates that AI isn't hype—it's delivering on the pain points recruiters care about most.

What to do about it:

➔ **Quick win:** Determine the AI features that are already available in your current tech stack, then train your team to use them confidently. Chances are, you're not yet getting the full value from tools you already own.

➔ **Big bet:** Invest in purpose-built AI recruiting tools that align with your top priorities. For improving candidate experience, consider interview platforms that guide structured, consistent conversations. To strengthen candidate quality, use tools that automatically surface right-fit applicants—freeing recruiters from manual resume review.

KEY TAKEAWAY

Tech investments are **holding steady**—and paying off

Even as economic headlines warn of slowdowns, TA budgets are holding strong. Two-thirds of respondents said they plan to increase spend, and tech is the top target area—funding AI recruiting tools, CRMs, ATSs, and job ads. These investments are paying off with faster hiring, reduced stress, and stronger performance. Tech spend isn't a luxury—it's becoming a lever for both efficiency and recruiter well-being.

What to do about it:

➔ **Quick win:** Audit your tech stack to identify underused tools. Reallocate spend toward features that support priority goals like improving candidate experience or boosting candidate quality.

➔ **Big bet:** Use analytics to connect tech investments to ROI—tracking efficiency gains, burnout reduction, and bottom-line impact to strengthen future business cases.

Candidate expectations are shaping both **data and strategy**

Candidate experience is the most tracked metric, and meeting candidate expectations is one of the fastest-rising challenges. Even in today's market where layoffs and return-to-office policies might suggest employers have the upper hand, TA leaders know the pendulum always swings back. Protecting the candidate experience now ensures competitiveness when demand spikes again.

What to do about it:

➔ **Quick win:** Review your current hiring process and identify ways you can improve the candidate journey. Consider elements like communication, speed, and transparency. Implement optimizations where you can to leave a better first impression.

➔ **Big bet:** Implement AI tools that flag process inefficiencies in real time. Fixing issues before they affect candidates can prevent missed hires and protect your employer brand.

KEY TAKEAWAY

Skills-based hiring can **widen the net**—and improve quality

Even as applicant volume rises, recruiters say they still need more qualified candidates. This year's data shows skills-based hiring could be the solution. Respondents reported better candidate quality, faster hiring, and more diverse pipelines as key benefits of focusing on skills rather than credentials.

What to do about it:

➔ **Quick win:** Pilot a skills-based assessment or structured interview guide for a role where quality has been a recurring challenge.

➔ **Big bet:** Standardize skills-based practices across functions and tie them to internal mobility programs—helping employees reskill or advance while strengthening external hiring.

KEY TAKEAWAY

AI adoption demands **accountability**

AI is now mainstream in recruiting, with most teams reporting clear gains. But recruiters also recognize the risks: nearly half of organizations already have governance policies in place, and many are piloting them. Plus, respondents ranked data privacy, human oversight, and explainability as top requirements when investing in AI-powered tools. The message is clear: AI adoption must be paired with safeguards.

What to do about it:

➜ **Quick win:** Publish candidate-facing AI disclaimers in job descriptions and document AI terms of use to build transparency and trust.

➜ **Big bet:** Establish a cross-functional governance model with HR and IT to manage compliance, fairness, and fraud prevention—ensuring AI supports both business outcomes and candidate trust.

Report
Methodology

This report is based on a nationwide online survey conducted by Zogby Analytics on behalf of Employ in September 2025. The survey captured insights from more than 1,200 U.S.-based HR recruiters and managers across a diverse mix of industries, company sizes, regions, and age groups.

Findings include year-over-year comparisons with 2024 data, as well as results from new 2025 survey questions focused on technology preferences, AI adoption, and skills-based hiring. Together, these data points provide talent acquisition and HR teams with a timely, research-backed view of today's recruiting landscape.

About Zogby Analytics

Zogby Analytics is respected nationally and internationally for its opinion research capabilities. Since 1984, Zogby has empowered clients with powerful information and knowledge critical for making informed strategic decisions.

The firm conducts multi-phased opinion research engagements for banking and financial services institutions, insurance companies, hospitals and medical centers, retailers and developers, religious institutions, cultural organizations, colleges and universities, IT companies and Federal agencies. Zogby's dedication and commitment to excellence and accuracy are reflected in its state-of-the-art opinion research capabilities and objective analysis and consultation.

About Employ

Employ is transforming how hiring gets done. Through our three ATS solutions—Jobvite, Lever, and JazzHR—and our innovative AI Companions, we empower recruiters to spend less time on administrative work and more time connecting with candidates. More than 23,000 global customers, including Pepsi, Brooks Running, and Spotify, rely on Employ to power millions of candidate connections each year. From fast-growing startups to the world's most recognized brands, Employ helps teams hire smarter, faster, and at scale—redefining what's possible in talent acquisition.

Visit **www.employinc.com** to learn more about the
Intelligent Hiring Suite that truly gets HR.