The Hidden Costs of Applicant Tracking Systems

Applicant Tracking Systems have in many ways revolutionized the recruiting landscape. Numerous organizations have seen a reduction in the amount of time, energy, and expertise allotted to the recruiting function/process as a result, but it may not be for the better. If implemented ineffectively, these systems may be costing your organization more than you realize, while failing to yield the high-quality, talented professionals that your business needs. Consider the following questions:

What might you be missing as a result of using Applicant Tracking Systems to select your preferred candidates?

Sorting candidates' applications through keyword filters, qualifier/disqualifier questions, and other black and white parameters severely limits your ability to select the most qualified candidates. Although it might be a time savings to automatically eliminate an individual who does not meet the initial Applicant Tracking System screening, consider the strong applicants that you may be overlooking. For example, a candidate might not have the specific degree needed to pass the ATS screening, but they do have extensive experience and a great deal of training and continuing education. A technology-based recruiting system does not have the analytical and reasoning capabilities to evaluate applications like a human does, limiting its effectiveness in selecting uniquely qualified candidates, which can be a costly mistake in the long run.

How many candidates start an application through your Applicant Tracking System but never complete it?

One potential indicator of an ineffective Applicant Tracking System is how many candidates start an application but never complete it. Many organizations use one general application form for every position, creating a generic recruiting process with many irrelevant and non-applicable questions. Couple that with a lengthy application that requires an in-depth, detailed life story; impossible time restraints to submit your application, resulting in session time-outs; un-customizable response blanks that don't allow for personalization; poorly constructed and confusing application forms; and inaccurate autofill features, and you have a recipe for reducing application completion rates and potential candidates. This holds especially true among top-level professionals who don't have time to waste on ineffective recruiting processes.

Whom does your organization have managing the recruiting process?

Although an Applicant Tracking System can be a significant aid in the recruiting process, it doesn't replace the role of a qualified human resources recruiting professional. Many organizations view Applicant Tracking Systems as their sole "recruiter" with an administrative professional assisting in the process. However, these systems are unable to actively seek and identify potential candidates, turning the process into a passive approach, which may fail to yield the most qualified candidates. The Applicant Tracking System serves as a recruiting tool with an experienced and knowledgeable recruiter leading the process.

What effects does your recruiting process have on your organization's brand?

Organizations spend a great deal of time and money on developing and promoting a positive brand both internally and externally; however, they often overlook or underestimate the effect that the hiring process has on building their company brand. Relying on automated processes, limiting human interaction, and displaying poor follow-up communication sends a negative message to potential candidates about your organization and its values. A poor recruiting process not only discourages applicants from pursuing employment with your organization, but it can also lead to a greater branding issue, negatively affecting your reputation and bottom line.