



## EPISODE 12

### Candidate Engagement: Why It's So Important

- Introduction:** Welcome to Strategic Insights, brought to you by PrideStaff. On each episode, we bring you interviews with leading management and employment experts from across the country. Your host for strategic insights is Brad Smith. And now here's Brad.
- Brad Smith:** Hello, and thank you so much for listening in to Strategic Insights from PrideStaff. I'm your host, Brad, and we have a great episode lined up for you. We're going to talk today about candidate engagement, why it's so vitally important, if you want to recruit top talent. Our guest today is Pankaj Jindal Co-founder of Sense, a leading talent engagement platform. Pankaj is going to share ways that we can improve the entire candidate experience, recruit and retain top performers to give our organizations a competitive advantage. Pankaj, thank you so much for joining us today.
- Pankaj Jindal:** Brad, thank you for having me. It's a pleasure to be here.
- Brad Smith:** Pankaj, you have some amazing deep experience in recruitment and strategic workforce management. So, before we jump into the episode, could you give our listeners maybe a little bit of background in your history, and really what led up to you starting Sense?
- Pankaj Jindal:** Yeah, no, absolutely. Well, first of all, as most people in the staffing industry would tell you, I got into staffing by accident, but it was one of the best decisions of my life. I started my first staffing company in Seattle back when I was 23 years old, ran that company for about 12 years. That grew up to be one of the most successful companies in that area. In fact, every year I was there, we won the SIA Best Place to Work for and Best Place to Temp For award.
- Pankaj Jindal:** So, after I ran that company for 12 years, we exited out of that. Then I ran a second staffing company based here in the Silicon Valley. This isn't a company I started, I was brought on as an external CEO and I was there for three years. Now, if you look back at both of these companies, at both these companies, like I said, we won these Best Place to Work for awards, but everything that went into getting that was done very manually. So, the idea behind starting Sense was, how do we contribute back to the industry that I grew up in? How do we create a technology solution that allows every staffing company to be a

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best version of themselves or in other words, pick up their best recruiter and just mimic for everybody in the company, what that person does? That was at the heart of how we started Sense.

Pankaj Jindal: Now, obviously we'll talk more about it, but Sense has come a long way since then, we have over 450 customers today, across staffing firms, as well as enterprises. People send millions of messages via Sense every single day. But our mission really here is to increase talent engagement, candidate engagement, and make sure that everybody knows that they're respected within the industry.

Brad Smith: Pankaj, thank you so much for that great overview. To really kind of set the stage for the rest of the episode, I wanted to introduce some statistics that we're seeing. The data that we're looking at shows that many industries, they're 60 to 70% more job openings today than there were just a year ago. We've seen application costs skyrocketing, sometimes doubling or tripling, and it's becoming a lot more costly to get people to apply. And then once they do apply, we're seeing ghosting on interviews. So many companies are dealing with people that just aren't showing up for an interview, or maybe not showing up for their first day, or disappearing after the first week, there's been more walk offs. So, I'm really excited to have you talk about this topic of talent engagement today. Because I think it's so crucially important to the employee and candidate life cycle to make sure that we're having this constant communication. So, if you don't mind, at a high level, explain to us what you mean by candidate or talent engagement and really why it's so important?

Pankaj Jindal: Yeah, absolutely. And this is a great topic that we should spend some time on. I'm going to pick two different tacks with this here. One is let's just talk about candidate and talent engagement first. And then we'll talk about this new phenomenon that's getting a lot of traction now, which is feast versus famine. But essentially, let's start with talent engagement. So, it probably comes as no surprise to anybody that if you are better engaged with your candidates, if you're better engaged with folks that you are wanting to bring on to your workforce, that you're probably going to have people who are actually more loyal to your company, people who are actually spending more time with you as an employee.

Pankaj Jindal: So here are some statistics that might be interesting to you. If you don't return a candidate's call or a candidate's expression of interest in your company within 24 hours, they will probably never work with you for the next three to six months. A lot of people would just get turned off by the fact that they never heard anything back from a company.

Pankaj Jindal: Now, if you think about it, that's one of the things that every talent acquisition organization has to solve, which is 100% of the people should immediately be

responded to, should at least get a notification that their application has been received and set up some sort of expectations for next steps.

Pankaj Jindal: Secondly, as you move people through the recruitment process, it's very important to keep them warm through the recruitment process. Your best candidates are also the ones that are being quoted by your competitors. They're the ones who are getting four or five phone calls. So, if they aren't hearing from you for 24, 48 hours, they're likely to start considering other options.

Pankaj Jindal: One of the things that we've tried to solve at Sense, for example, is exactly that. You can build a cadence based automated journey that will give every candidate the same white glove experience that you either want them to have, or that your best recruiter is giving today. What that means is, somebody applies to you, you instantly send them a notification saying, "Thank you for applying." You may even follow it up with a video from your CEO saying, "Here are the values of our company. Here is how we treat our people. So excited you want to work with us." You immediately want to set expectations on next steps, "On your submitting your resume to the hiring manager. This is when we'll get back to you." So on and so forth, right? So, the idea of what you expect this talent process to look like should be consistent for every single person who applies to you. And by the way, if you do that using technology, and this is something that a lot of organizations today talk about, you also take any conscious or unconscious bias out of the equation.

Pankaj Jindal: But now let me also switch gears and talk about what's been happening for the last 15 to 18 months, especially in light of the pandemic. Most organizations are now facing a phenomenon of feast versus famine. You either have a position that you would open up and hundreds of people are applying to it. So, you have a feast going on. Or you have positioned that you're opening up and nobody's applying. And this could be partly because people are comfortable sitting at home collecting unemployment, or they've decided to delay the decision of getting back into the workforce. And I can talk more about how technology helps with both of them. But the idea is, if you have a feast situation, you need to find the needle in the haystack. And that's where technology comes into play where they can talk to thousands of people, but only progress the 10 or 15 people that make sense into the process.

Pankaj Jindal: And in the case of famine, you need to basically cast a wider net. You're not able to have 10 applicants and find the right person. So, you need a thousand applicants and technology can help you cast a wider net. So happy to talk more about that, but those are, I think the two phenomenon that we experience a lot. And as you increase talent engagement, ghosting goes down, your cost per hire goes down. We've seen cost per hire with some of our customers reduced by 40 to 50%, simply because you're essentially giving the same consistent experience to everybody. And we'll also talk about a

phenomenon called rehire or redeploy, which means your cost per hire goes dramatically down because you're taking the people that you currently have and making sure that they can be assigned to different roles.

Brad Smith: Pankaj, that stat you shared of getting back to a candidate within 24 hours is really eye opening. Because if you think about the volume of hiring that most organizations do, even if you're in that famine situation or the feast situation, being able to reach out to that number of people within 24 hours, isn't humanly possible for one hiring manager. So, leveraging technology like Sense, I think is vitally important to make sure that you maintain a great employment brand and don't turn candidates off.

Brad Smith: Pankaj, some employment analysts are predicting a lot more turnover in jobs shifting in the next year or two. What are you seeing in the market? How can companies best prepare their workforces to make sure that this talent crunch and this talent shift in turnover don't negatively impact their organization?

Pankaj Jindal: Yeah, Brad, that's a great point. Well, everything that you just said is exactly what we are seeing in the marketplace. Including our own company, we've seen 20 to 30% of the people that have relocated, that have opted out of working in the office to being remote or working in a hybrid situation. So, there are definitely macro changes that are coming within the workforce.

Pankaj Jindal: Now, the best prepared companies that we see are the ones that are getting ahead of these changes and they're embracing these changes right away. Several of them have changed their working models to be hybrid. Several of them have changed their meetings to be fully recorded, fully virtual, to make sure that every piece of information is being disseminated within the organization. But I keep coming back to engagement, I think being the silver bullet here. As your workforce changes, if you are able to essentially keep everybody on the same page, because every single person, every single constituent is getting the same exact information and that information is being disseminated automatically, you're going to have a workforce that is more and more engaged.

Pankaj Jindal: So, I'll give you an example of some of our customers where they've gone from having a 1000 to 2000 of workers onsite to having all of them go remote. Now, these are the folks who immediately embraced technology because they realize that digital transformation is no longer a nice to have, it's a must have. They just had to transform their tech stack to make sure that they're asking people, "Hey, how's your day going? How's your week going? Is there anything we can do to help you? Do you need any IT support?" So just the idea of engaging with people, but also getting accustomed to the fact that they're sitting in many different locations is the one thing that I think can really help organizations.

Brad Smith: Pankaj, there you made a compelling case for talent engagement, but what are some of the recruiting or hiring pains that companies will see if they don't have a strong, proactive engagement plan or are not working with a staffing provider that understands this, or has a strategy and tech stack in place?

Pankaj Jindal: Yeah, absolutely. By the way, this is the one place that PrideStaff in my mind shines as a company, they have always been very technology forward. They've probably used every single product that Sense has put out there as an early adopter. And which is why when you look at a company at the scale of PrideStaff with almost a hundred franchise offices and thousands of employees, they still maintain a net promoter score that is in the high 70s. They're redeploying 30,000 people every year. That speaks volume to how they're running this business, because there are tens of thousands of people who are finishing their assignments and wanting to come back to do a subsequent assignment.

Pankaj Jindal: So first of all, there should be no confusion about the fact that a lot of that is being enabled by technology because the way PrideStaff communicates with its people, it's all one logo, one brand image, one tone of voice, one marketing message. So, you actually come across as a very consistent company and you look much bigger than you actually are.

Pankaj Jindal: And then secondly, to your first part about what other challenges you're going to face? Every single thing that we today advocate against, right? People are going to accept an offer, but not start. You're going to have a higher drop-off rate after somebody accepts an offer because you weren't properly engaged with. You didn't get enough information on what your commute might look like, what your benefits might look like. Then you might start, but you may not finish the assignment. People are going to leave in the middle, because again, there wasn't enough communication around what's your project going to look like? What are expectations from you? What was your experience in the first five or seven days? These people are just in the job market, they can just as easily go and work someplace else.

Pankaj Jindal: And then lastly, this is somewhat of a vicious circle because if you don't take care of your talent, your net promoter score keeps going down. Your [inaudible 00:13:07] ratings keep going down, which means better candidates stop applying to you. So slowly you actually start getting not the best candidates, which actually leads to an overall decline in your performance, as well as candidate engagement.

Brad Smith: Now Pankaj, I want to set the benchmark here a little bit. You mentioned that PrideStaff's NPS score is in the high 70s, when you look at an NPS score, a net promoter score, you often find that a net promoter score that's higher than 30 means your company is doing rather well at engaging with talent and engaging with customers. An NPS of 70 is really world-class, isn't it?

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Pankaj Jindal: That is absolutely correct. The average for the staffing industry as a whole is 21. So, if you had a net promoter score that was north of 21, you're doing better than average. When we see our customers get into the 30 to 40 net promoter score, you're doing pretty well. Because at that point, you're saying, "Hey, four, out of every 10 people really like us, and the other five or six people are neutral about us." But to get a net promoter score that is in the 70s, especially at the scale at which PrideStaff operates, is just absolutely exceptional. I'm going to say we probably have less than 1% of our customers at that scale that operate at that net promoter score, because it literally means pretty much seven to eight people out of every 10 people are saying, "I would recommend this place as a great place to work to my friends, to my family, to my colleagues." And to your previous question, Brad, that's exactly how good people get more good people into the company. And you just keep uplifting the phone.

Brad Smith: Pankaj, if you don't mind, let's talk a little bit about the candidate experience throughout the entire hiring cycle. What should a company do to provide just a better experience? You mentioned earlier, you need to get back to people within 24 hours, but then what?

Pankaj Jindal: Yeah. So, I think in my mind the key word here is consistency, you set expectations with the candidate upfront and you make sure that you live up to those expectations. I can give you dozens and dozens of examples of cool things that companies do today to engage with candidates. But the number one thing here is, set expectations and then meet those expectations, if you can't exceed them. So, if you think about it, engagement starts right from the very first touch point with a candidate. Somebody reached out to you, you immediately should follow back up with, "Thank you for your interest. This is our process. We'll be back in touch with you in 24 hours, 48 hours. So on and so forth."

Pankaj Jindal: Even better, you could automatically send them a link which can [inaudible 00:15:48] take them to a conversational assistant or chat bots as they're called right now. So, you can just send them a link to a chat bot, they can click on it. They can automatically get a prescreening done, and they can automatically know, "this company is going to be moving forward with me. I'm going to have a conversation with a recruiter." So that's step one, right as somebody reached out to you.

Pankaj Jindal: Then you do that promise conversation with the recruiter, which by the way, again, with the use of technology, this candidate can automatically schedule with your recruiter. And when you do that, you figure out a way to tell this person, "These are exactly the jobs we'll be submitting you at. And this is our expectation on how long it takes to get responses back from there." And if your responses come back, great, if they don't, you still need to keep sending

them messages in a cadence that says, "We still haven't heard from this hiring manager, but you are in the process."

Pankaj Jindal: So, this is what we recommend in the application process. Now there will come a time that somebody actually gets called for an interview, and maybe it's an in-person interview, maybe it's virtual, but if there is an interview, then you absolutely have to handhold this candidate through the interview process. "This is the time when you have an interview." If it's in-person, "this is where you need to show up. This is the dress code. These are some things for you to keep in mind. Here's the LinkedIn profile of the hiring managers. So you can read a little bit more about them." Just prep the candidate and make sure you come across as their confident in this entire process.

Pankaj Jindal: If this person gets hired, then starts your pre-onboarding, if you will. "Here are the documents you need to fill. Here is how long will it take for us to do your background check. Here is when you can expect to get started, so on and so forth." Again, a lot of these things that are completely automated. The important thing after that to keep in mind is that a day or two before somebody is about to start is super critical, that's when you want to really handhold them, send them a text message. "Hey, good luck with your start tomorrow, call this number if you need anything, we'll be right here for you."

Pankaj Jindal: And then on the first day, it's also super important because we see a lot of people join their assignment, go into a new job, find out they didn't have an email ready, there wasn't a desk for them, there wasn't a supervisor. They were just sitting around twiddling their thumbs. So, the idea of making sure that at the end of the day, you're asking, "How was your first day?" And if it was anything less than stellar, you immediately jumped on the phone with the candidate or the hiring manager to make sure that you can rectify things. And so on and so forth. Check in after a month check, ask them for referrals, ask them for net promoter scores. And when somebody is indeed offboarding out of the system, make sure that at that point you're asking them, "how was your experience with the company?" Or in the case of PrideStaff, "How was their experience with PrideStaff? Would you work with us again? Would you refer other people to work to us?" And I think that's where companies like PrideStaff, really shine.

Pankaj Jindal: So, we have documented the recipes, what we call them, hundreds and hundreds of them for companies to understand how they can actually do this engagement that I just went through with you.

Brad Smith: So, you've got workflows for each of those processes that leverage technology and makes them human interaction. Right?

Pankaj Jindal: That's exactly right. So, the idea is not to replace humans, but the idea is to bring them in, into high value conversations than they actually need to talk to

a human being. So, everything that I just went through, you would see these recipes documented that says, "Do this on day one, day three, day seven, day 10, then have a recruiter make a phone call, then do this. Then have a recruiter sent an email. So on and so forth." And we have hundreds of these that are already documented.

Brad Smith: So, if you don't mind, let's talk about that a little bit more. Obviously hiring and recruiting is a people business, HR is all about people and making those connections. How does a company successfully balance that technology and automation, but still maintain that human touch?

Pankaj Jindal: Yeah, it's a great question. One that we've talked about a lot, Brad. So if you think about a typical recruiter's day-to-day, a lot of our customers have done what's called a time study. So, they literally find out what is a recruiter doing every single minute. And they do this over 30 days, and then they've done a time study. And once they do a time study, they've come to the conclusion that 75% of a recruiter's time is being spent in admin tasks, whether it is updating your applicant tracking system, updating your CRM, prospecting for new candidates, scheduling candidates or rescheduling some people, sending reminders, so on and so forth.

Pankaj Jindal: And less than 25% of their time is actually spent in talking to a human being. Whether that human being is a candidate or whether that human being is their customer, and actually talking and convincing those both parties to talk to each other.

Pankaj Jindal: Now, the good part about technology is it can take away the redundant, manual, repetitive work. And that's exactly what I'm advocating here. For example, a technology like Sense can absolutely automate your applicant tracking system and updating your applicant tracking system, right in the background, you don't even have to worry about it. We can update things like, [inaudible 00:20:46] your company, that person was associated with 300 candidates, they will automatically be associated with a new recruiter. So nobody else has to spend time doing that. So, a lot of prospecting. Hey, if you have a new job open, we talked about the feast versus famine before. We need to reach out to a thousand people, can automatically be done by a technology like Sense.

Pankaj Jindal: Clearly, to your part about how do you balance this? What we are hoping to do is take away the time that recruiters spend today in screening a candidate and scheduling a candidate and keeping your systems up to date, using technology, and then give them more time to talk to a candidate and talk to a client. And our belief is, and we've actually seen demonstrated success with a number of customers, that if you continue to do that, that's when you're going to make more and more business. Because if you talk to more candidates and if you talk to more customers, you're likely to close more business.

- Brad Smith: Absolutely love that. So, you're not using technology to replace human interaction. You're giving recruiters and hiring managers and department heads more time to have deeper, more meaningful relationships and conversations with talent.
- Pankaj Jindal: Absolutely. In fact, it's funny you say it that way, because a lot of our customers come back and tell us, "Our recruiters are so happy with Sense because they're now making more commissions, because they're making more placements. Their actual compensation has gone up." "And then the CEO is happy because you can now take on 20% more jobs without adding more recruiters." So, you have the team that you have as your business grows and your business is going to grow because you're following all these best practices we just talked about, as your business grows, you don't necessarily just have to hire another recruiter. You can simply make sure that that work is taken care of by technology and your existing recruiters keep making more and more money. So, from what we've seen in dozens and dozens of case studies, this has actually been a very sort of well-regarded by recruiters, where they get to do what is income generating more than what is just manual work.
- Brad Smith: Pankaj, you've offered some amazing insight today, for those that are listening, that maybe feel like they don't have the right talent engagement plans or strategy in place. What's the next step? How can they improve the candidate experience and where should they really start?
- Pankaj Jindal: Yeah. So, great question, Brad, I have two or three suggestions. This is again, something we talk about a lot. First of all, I would say, start documenting what you think are the big gaps in your talent engagement process today, right? And I've told everybody, do not ever try and boil the ocean, pick out the one or two things that you feel like, this would have a maximum impact. So, if you do a little time study and find out, "Hey, 30% of our time is being spent in scheduling and rescheduling candidates." Well, there is a place that technology can come in and help there. Or, "20% of our candidates accept an offer, then don't show up on the first day." Well, that's a place where technology can help. Or, "15% of our people start a job, but never finish the job. It's a six-month, three-month, three-week assignment, but they leave before that." Well, that's a place technology can help.
- Pankaj Jindal: So first of all, I think it's good to identify that one or two or three areas that you would like to attack first. Second, obviously talk to somebody like us. That's going to be one of my first suggestions, and not because we want you to buy Sense, but because this is the industry we live in day in and day out, we would happily give you best practices and suggestions around how you can improve talent engagement, talent experience. And third, work with a company like PrideStaff. There are obviously going to be companies that have cracked the code on talent engagement, that are absolutely going to bring the best talent to you. They're going to bring it to you quickly. And then once they

do bring this talent over to you, they're actually going to take care of that talent.

Pankaj Jindal: So, plenty of different places to start, plenty of also resources available on the web as well. But I would say, identify the [inaudible 00:24:47] two problems, and then there's definitely going to be a technology solution that can help you with that.

Brad Smith: Pankaj, again, amazing tips today. Thank you so much. For those that are listening, I do want to encourage you to visit [pridestaff.com](http://pridestaff.com), reach out to our local office. If you're having challenges with no shows, if you're having challenges with turnover, if you can't fill open positions, reach out to our local office, we'd be happy to talk with you. Learn about your organization, learn about the challenges you're facing, and come up with a proactive recruiting and talent engagement strategy to help you overcome those. Pankaj, thank you so much for your time today. It was really, really helpful.

Pankaj Jindal: Brad, thank you so much for having me. Wonderful talking to you.

Closing: Thank you for listening to Strategic Insights, brought to you by PrideStaff. Whether you're looking for high level workforce consulting or staffing help to meet demands, PrideStaff is here to help.