

# In Data We Trust:

Do TA Leaders have  
Confidence in their  
Talent Intelligence?

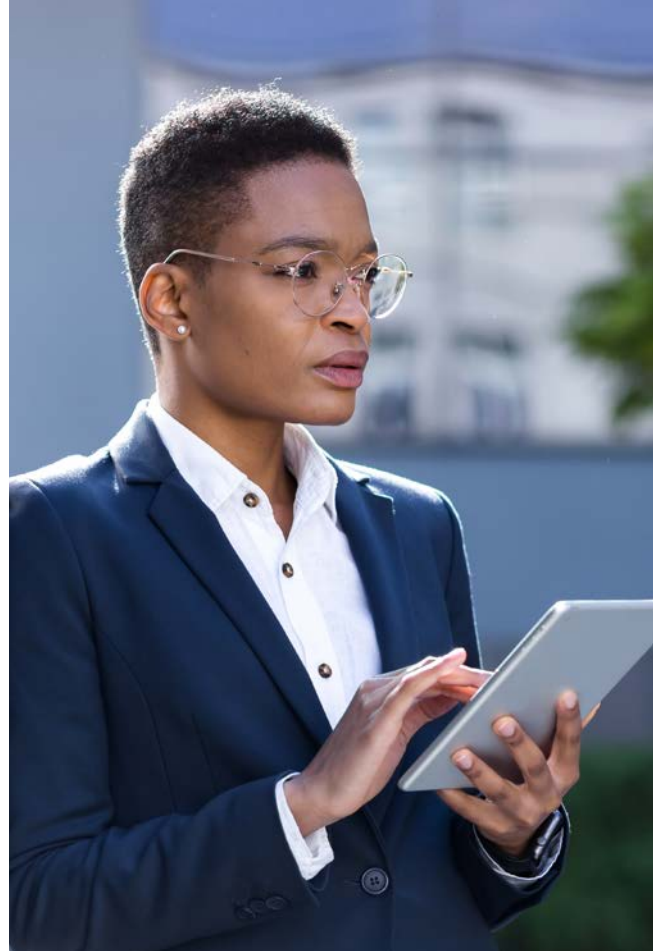


*HRO Today* Flash Reports are a series of ongoing research initiatives that address today's topics of interest in the HR community. *HRO Today* Flash Reports are focused briefs that can be used to support business decisions and discussions among industry practitioners and thought leaders.

## Introduction

Talent acquisition (TA) data equips HR leaders with insights that drive smarter, data-driven hiring strategies. Data allows them to identify and attract top talent, improve the candidate experience, identify gaps in diversity and enables proactive workforce planning.

However, TA professionals often face challenges in fully utilizing the data available to them. Which areas do employers face the greatest challenge to maximize the potential that comes from the many sources of data involved in TA? Further, does investing more in technology increase use or satisfaction with it? To address these questions, this report focuses on the experience of HR executives using HR data across areas related to TA.



## Methodology

We surveyed 104 subscribers of *HRO Today* magazine and *HRO Today* newsletters between August 27 and October 4, 2024. Study respondents were at the manager level or above within their Human Resources departments. Respondents were screened to ensure their organizations had at least 100 employees and that they were personally knowledgeable about their companies' experience using talent market data.

## HIGHLIGHTS

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This study reveals several key findings about HR leaders' experience with four types of data: talent market data, TA process and performance data, workforce planning data, and data for contingent labor acquisition. These findings are outlined below, and this report explores each area further.

### Talent Market Data

Market data applies to talent supply forecasts, labor market trends, compensation and benefits, and competitor hiring.

- **The use of market data is minimal.** Less than one-third (31%) feel they use external talent data for recruitment strategies to a large or very large extent.
- **Satisfaction with the quality of data used for employee recruitment strategy is low.** Only 44% are satisfied with the availability of talent needed to meet organizational demands. Further, only 41% are satisfied that they have the detailed cost benchmarks required for the talent they seek.

### TA Process and Performance Data

TA process and performance data are metrics that help organizations understand how effectively their recruitment and hiring processes are functioning. Examples include time to fill, quality of hire and cost per hire.

- **The majority use hiring metrics to gauge recruiting performance.** Just over one half (56%) of senior HR leaders rely on data to measure recruiting performance to a very large or large extent.
- **About one-half are satisfied with the quality of hiring performance data.** Overall, about one-half of senior HR leaders are satisfied with the relevance and timeliness of data and the extent of detail.

### Workforce Planning Data

Workforce planning data encompasses a range of metrics and information that help an organization assess current and future staffing needs, identify skill gaps, and make strategic decisions to optimize workforce allocation. Examples include data on demographics, employee performance and learning and development.

- **The majority (57%) use data to a very large or large extent to guide workforce planning.** This includes where, when, and what kinds of talent will be needed.
- **Satisfaction is tepid with the quality of data for workforce planning strategies.** Just over one-half (55%) of senior HR leaders are satisfied with the relevance of data used for workforce planning strategies. Less than one-half are satisfied with the overall timeliness of data or extent of detail, 48% and 45%, respectively.

## Talent Data for Contingent Labor Acquisition

This data helps organizations make decisions about hiring and managing temporary, contract, freelance, and gig workers. Examples include the availability of skills and salary and rate benchmarks, compliance metrics, and data informing the engagement process and supplier performance.

- **HRO Today survey respondents have less of a focus on contingent labor data.** Only 18% use talent data for contingent labor acquisition to a large extent, with no study respondent using it to a very large extent. Data for contingent labor is used to a far greater extent by procurement leaders or HR professionals with a broad involvement across talent types, but with nearly a fifth of respondents citing its use, the focus on the contingent workforce is significant in HR.
- **Satisfaction is low with the quality of data used to inform contingent labor strategy.** Less than one-quarter (24%) of study participants are satisfied with the availability of non-permanent talent needed to meet organizational demands. Further, only 21% are satisfied with detailed cost benchmarks for needed talent.

## Investment in TA Technology Correlates with Higher Satisfaction

In every area examined, respondents from organizations that committed to greater investment in TA technology enjoy a higher level of satisfaction or greater use of the information gleaned from it. These HR executives:

- Are significantly more likely to use external talent data in recruitment.
- Are more satisfied with the quality of data used to inform employee recruitment strategies, such as data used to measure the availability of talent as well as detailed cost benchmarks.
- Use metrics to measure recruiting performance to a significantly greater extent.
- Have greater satisfaction with the quality of hiring performance data.
- Are far more likely to use workforce planning data.
- Have higher satisfaction with the quality of data, as well as the timeliness and extent of detail used to create workforce planning strategies.

## DETAILED FINDINGS

### Technology Investment Differentiates the Experience of Survey Respondents

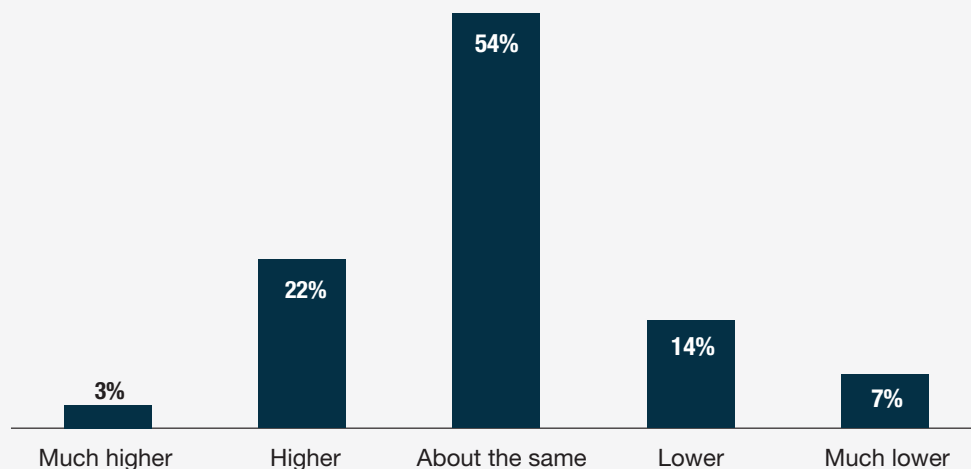
Study participants were asked to characterize their level of investment in TA technology compared to other organizations in their industry. This area included, but was not limited to, Applicant Tracking System (ATS) software, sourcing and recruitment marketing platforms, and talent assessment and testing platforms.

Most (54%) indicate they feel the level of investment is about the same as that of other organizations in their industry, suggesting that current practices do not distinguish them from their competitors.

Organizations that invest in HR technology differentiate themselves by optimizing operational efficiency, improving employee satisfaction, enabling data-driven strategies, and supporting scalability—ultimately leading to improved performance in the competitive marketplace.

Going forward in this report, study participant responses are segmented by those with high levels of HR technology investment versus those who do not have a high level of technology investment.

*How would you characterize your level of investment in HR talent acquisition technology compared to other organizations in your industry?*



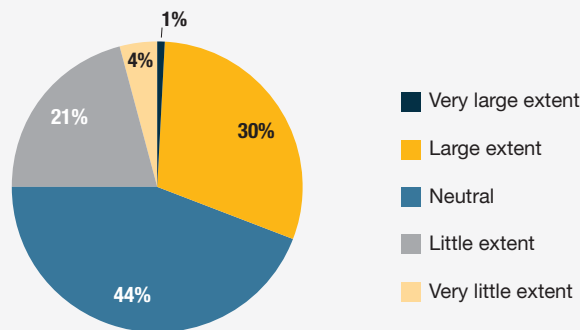
## MARKET DATA

### Talent Data Is Under-Used in Employee Recruitment Strategies

Study participants characterized the extent to which they use external talent data in their recruitment strategies. Less than one-third (31%) use it to a large or very large extent. Yet, according to a recent LinkedIn study, 69% of talent professionals agree that labor market data improves hiring strategies by aligning recruitment efforts with talent availability, skills trends, and location-specific demand.<sup>1</sup>

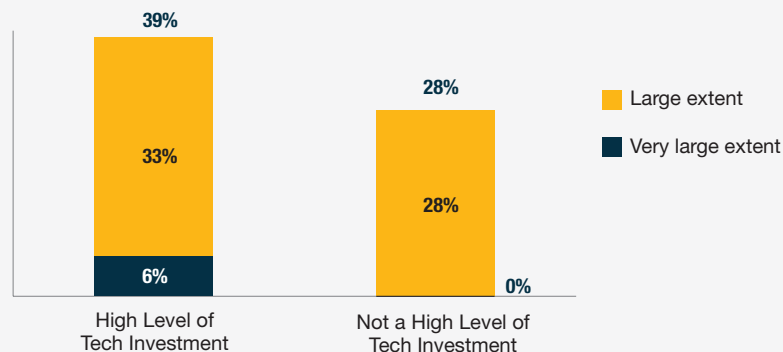
Incorporating external talent data — such as talent supply forecasts, labor market trends, and cost benchmarks — enables actionable insights that optimize recruitment strategies, improve workforce planning, enhance cost efficiency, and create a competitive advantage in attracting and retaining talent.

*To what extent do you use external talent data as input into employee recruitment strategies? This data could include talent supply forecasts and benchmarks around the cost of obtaining talent.*



Organizations with a high level of HR technology investment are more likely to use external talent data in recruitment compared to those without a high level, 39% versus 28% respectively. However, the percentage still is not high.

#### Extent of External Talent Data Used Based on Level Technology Investment

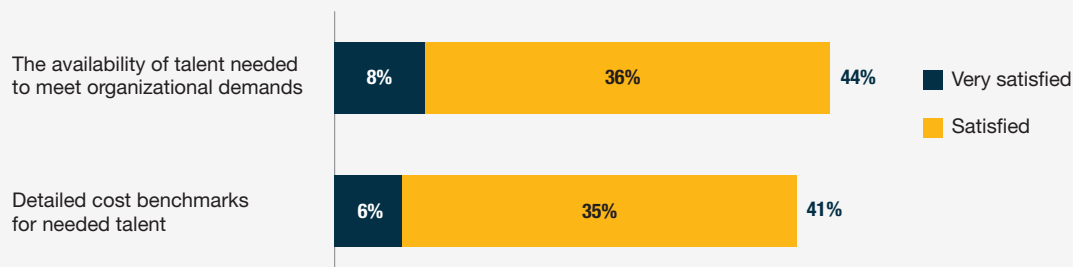




## Users See Room to Improve Quality of Data in Their Recruitment Strategies

Only 44% are very satisfied or satisfied with data regarding talent availability. Further, only 41% are very satisfied or satisfied with detailed cost benchmarks for talent needed.

*How satisfied are you with the quality of the data used to inform your employee recruitment strategy for each of the areas below:*



Organizations with high levels of HR technology investment are significantly more satisfied with the quality of data used to inform employee recruitment strategies. Over three-quarters (76%) are satisfied with data regarding the availability of talent, and over one-half (59%) are satisfied with detailed cost benchmarks. Among organizations without a high level of investment only 33% are satisfied with talent availability data and 35% are satisfied with their cost benchmark information.

The availability of talent is likely not different for the two groups. Rather, those with higher investments are better able to locate the talent needed to meet organizational demands.

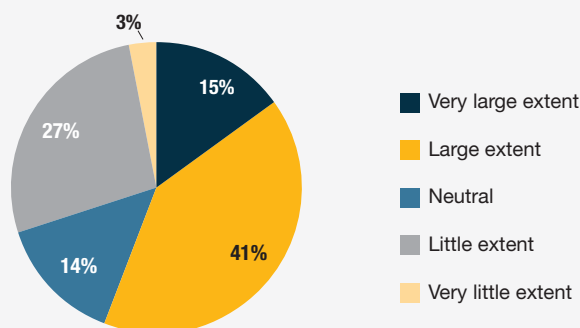
Quality of Data Used — Very Satisfied/Satisfied	High Level of Tech Investment	Not a High Level of Tech Investment
Data on the availability of talent needed to meet organizational demands	76%	33%
Detailed cost benchmarks for needed talent	59%	35%

## TA Process and Performance Data Embraced by Majority

Just over one-half (56%) of senior HR leaders measure recruiting performance to a very large or large extent, twice the percentage that use it to a small or very small extent.

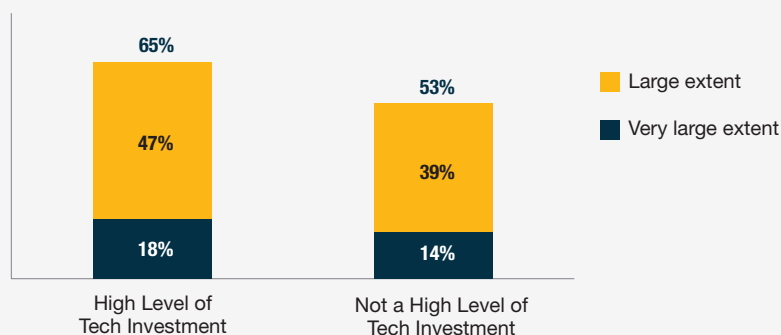
Recruitment performance data provides precise intelligence on the effectiveness of the recruitment process. This allows organizations to optimize TA strategies, reduce costs, and improve candidate quality.

*To what extent do you use metrics about hiring performance (such as time to fill, quality of hire, activity of hiring managers and recruiters across locations) to measure recruiting performance?*



Nearly two-thirds of respondents who characterize themselves as having a high level of HR technology investment use TA process and performance data to a very large or large extent, well above 53% of those without a high level of investment.

### TA Process and Performance Data

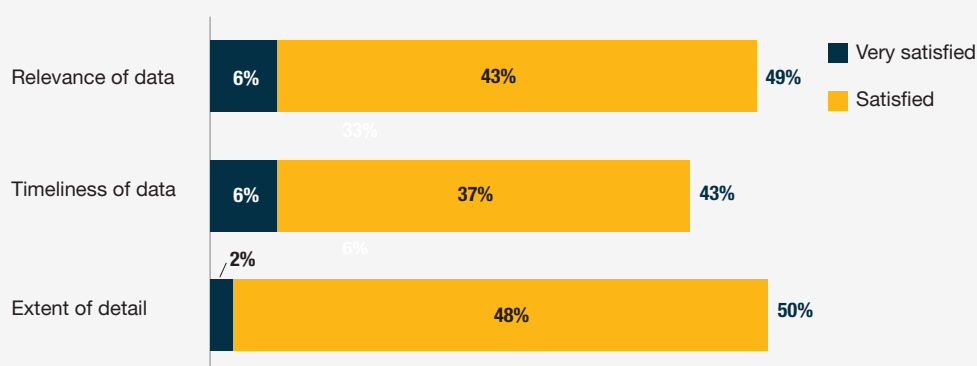




## Tepid Satisfaction with the Quality of Hiring Performance Data

Overall, about one-half of senior TA HR leaders are satisfied with the relevance and timeliness of data and the extent of detail. Few are very satisfied with any of the three areas, indicating considerable room for improving satisfaction.

*To what extent are you satisfied with the quality of hiring performance data for each of the areas below:*



However, those from organizations with a high level of investment are significantly more satisfied with the quality of hiring performance data than those without it across each metric examined.

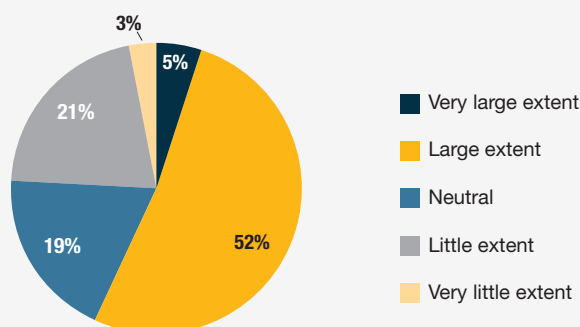
Quality of Hiring Performance Data — Very Satisfied/Satisfied	High Level of Tech Investment	Not a High Level of Tech Investment
Relevance of data	65%	43%
Timeliness of data	59%	37%
Extent of detail	63%	46%

## Most Respondents Rely on Data for Workforce Planning

Over half (57%) of study participants use data to a very large or large extent to guide workforce planning efforts, such as where, when, and what kinds of talent will be needed.

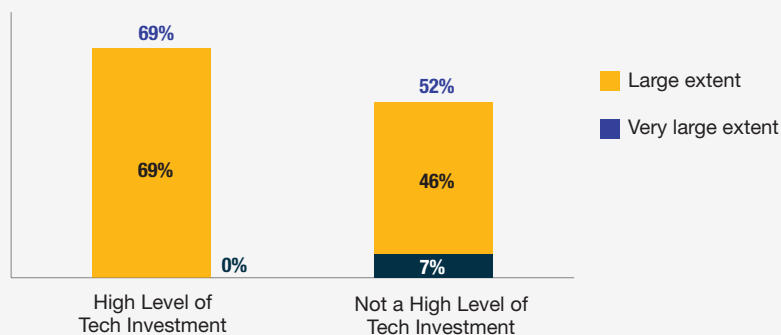
HR can use data to guide workforce planning by employing various analytics and forecasting tools to identify and align talent needs with organizational goals. By leveraging data, HR departments can make informed decisions about where, when, and what types of talent will be needed, ensuring the workforce is well-positioned to meet current and future business demands.<sup>2</sup>

*To what extent do you use data to guide workforce planning efforts?*



Organizations with a high level of HR technology investment are far more likely than those without it to use workforce planning data to a very large or large extent, 69% versus 52%, a difference of 17 percentage points.

### Extent of Use of Workforce Planning Data

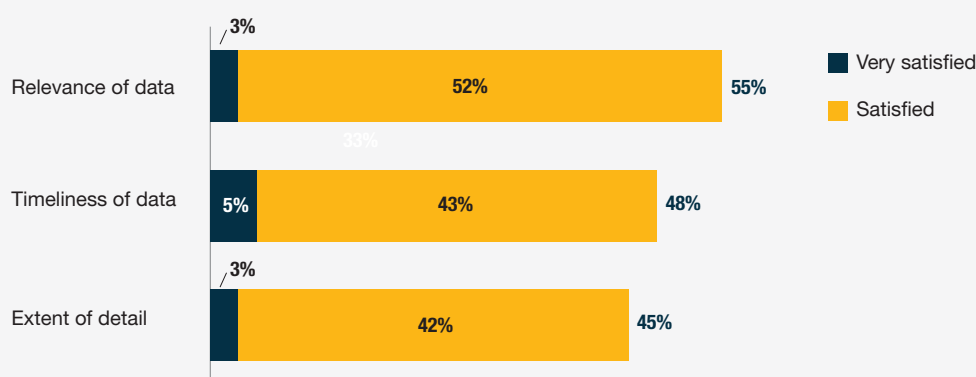


## Marginal Satisfaction with the Quality of Data for Workforce Planning Strategies

Overall, just over one-half (55%) of senior HR leaders are satisfied with the relevance of data used for workforce planning strategies. Less than one-half are satisfied with the overall timeliness of data and extent of detail, 48% and 45%, respectively.

Quality data for workforce planning is fundamental because it enables precise forecasting, efficient resource allocation, and the identification of gaps in skills and diversity, all of which contribute to long-term organizational success.

*To what extent are you satisfied with the quality of data you used to create workforce planning strategies for each of the qualities below:*



Over three-quarters (76%) of respondents from organizations with a high level of HR technology investment are satisfied with the quality of data, and 71% are satisfied with its timeliness. However, only 50% are satisfied with the extent of detail, suggesting the need to have greater user drill-down capability in addition to improving the scope of information provided.

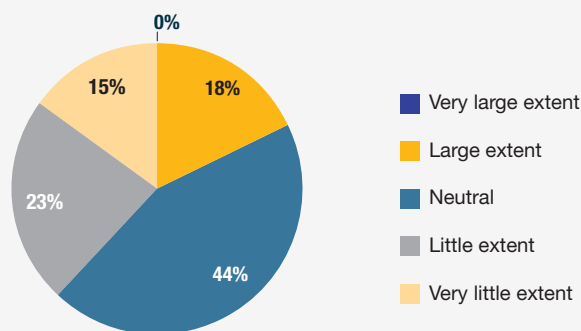
Quality of Data for Workforce Planning Strategies — Very Satisfied/Satisfied	High Level of Tech Investment	Not a High Level of Tech Investment
Relevance of data	76%	48%
Timeliness of data	71%	39%
Extent of detail	50%	43%

## Use of Talent Data for Contingent Labor Acquisition

Overall, less than one-in-five (18%) survey respondents, a predominately HR-based audience, use talent data as input into contingent labor acquisition to a large extent, with no study respondents using it to a very large extent. The acquisition of contingent labor remains a lower priority to HR than permanent hire TA. However, such use (and survey responses) would likely be higher for an audience typically more focused on the contingent workforce.

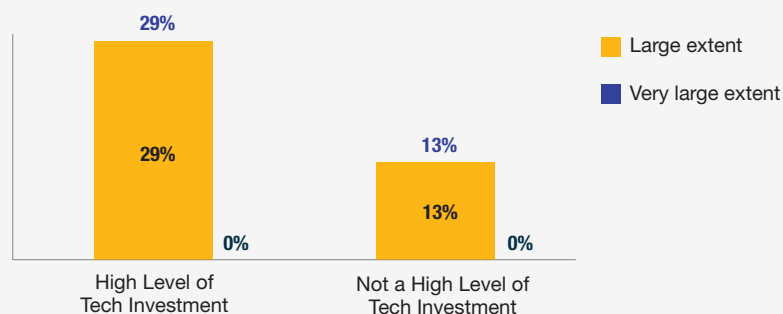
This lower HR emphasis on contingent workers is changing, as HR becomes increasingly involved in total talent strategies that involve drawing workers from both permanent hire and contingent workforce talent supplies. By leveraging talent data, businesses can make informed decisions about when, where, and how to supplement their permanent workforce with contingent labor. Talent data can help organizations assess skill gaps in their current workforce and predict future talent needs.<sup>3</sup>

*To what extent do you use talent data as input into contingent labor acquisition? This data could include talent supply forecasts or the benchmarks around the cost of obtaining the talent.*



Respondents from an HR-centric survey pool cited very limited use of talent data for contingent labor acquisition. Of those with a high technology investment, slightly less than one-third (29%) use it to any extent, though this is more than double the percentage of other organizations (13%).

### Use of Talent Data for Contingent Labor Acquisition



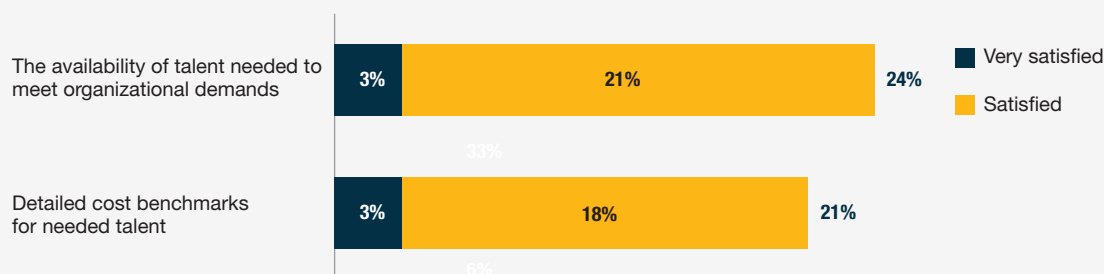
## Satisfaction With Quality of Data Used to Inform Contingent Labor Strategy

Study participants were asked to indicate their satisfaction with two areas that address the quality of data used to inform contingent labor strategy. Less than one-quarter (24%) of study participants are satisfied with the availability of talent needed to meet organizational demands. Further, only 21% are satisfied with detailed cost benchmarks for talent needed.

Typically, satisfaction with data or any technology solution is much lower when there is a lack of familiarity with capabilities or perceived benefit.

High-quality data is fundamental to optimizing contingent labor strategies because it ensures accuracy in decision-making, cost efficiency, risk management, and vendor selection. It also enables organizations to improve talent fit, agility, workforce planning, and promote diversity.<sup>4</sup>

*How satisfied are you with the quality of your data used to inform your contingent labor strategy for each of the areas below:*



Most respondents, including those from organizations that invest highly in HR technology and others, are not satisfied with the quality of data for contingent labor. But those with greater investment are somewhat more satisfied, 35% versus 20%. Satisfaction with detailed cost benchmarks remains low for both groups.

Quality of Data Informing Contingent Labor Strategy — Very Satisfied/Satisfied	High Level of Tech Investment	Not a High Level of Tech Investment
The availability of talent needed to meet organizational demands	35%	20%
Detailed cost benchmarks for needed talent	24%	20%

## CONCLUSION

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Findings from this report indicate an emerging understanding among HR professionals regarding the potential offered by more robust applications of talent data. In most areas, a significant portion do use data to their advantage in making decisions, including workforce planning, tracking TA performance, and keeping up with supply and demand. But the use is limited, and the perceived satisfaction remains low, particularly among those who are not investing in updating their talent data and intelligence capabilities.

For organizations seeking more robust intelligence to inform their decisions, the opportunity is at hand to gain an advantage over those who are not investing in their talent data infrastructure. They can invest in their own infrastructure or look for partners who bring advanced technology and expertise to the table. These types of partners, including MSP and RPO providers, are often leading the way in bringing employers up to competitive standards for TA. With current technologies, they can apply data to precisely determine how much they offer for their roles, how they improve TA speed and quality of hire, and how they engage contingent workforce.



## NOTES

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2. "Building the future-ready workforce," *Deloitte*, 2021.  
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4. Xing, Josie et al. "Market Guide for Workforce Management Applications," *Gartner*, August 1, 2024.  
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