

State of Tech Recruitment in 2023

An Industry Review

ContactOut 



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Introduction



“Tech recruitment is undergoing rapid transformation, with recruitment being reinvented.

Similar to the evolution we saw with Sales and Marketing about a decade ago — Recruitment is increasingly becoming data-driven, with companies leveraging data insights to target and nurture a handful of candidates to engage and eventually convert.”



Santosh Sharan
Co-CEO, ContactOut

Jobs in the tech industry are some of the most coveted in the world. And it's not just because of the high salaries. Every day, new startups are born, and existing businesses are expanding their reach into the tech market.

This growth is exciting, but it also creates a challenge for recruiters: **how do you find the best talent in such a competitive environment?**

We surveyed recruiters across 10 industries...

And learned that tech recruiting is much more challenging than recruiting for other industries. From prospecting to finding the right fit, our survey reveals that tech recruiters face unrealistic expectations from hiring managers of the time it takes to hire due to inaccurate benchmarks.

What challenges do Tech Recruiters face in 2023?

The COVID-19 pandemic [placed unprecedented demand](#) for tech services. As many sectors transitioned to online work, everyone needed new and extra personnel to ensure that business operations continued smoothly.

And this demand is not likely to decrease as we move into a post-lockdown world.

[A recent study by Korn Ferry](#) predicts that tech advancement across all sectors would slow down due to a deficit of workers in the coming years. As many as 4.26 million workers would be needed by 2030 to fill crucial roles in innovation and development. This means that the role of the recruiter is more vital than ever.



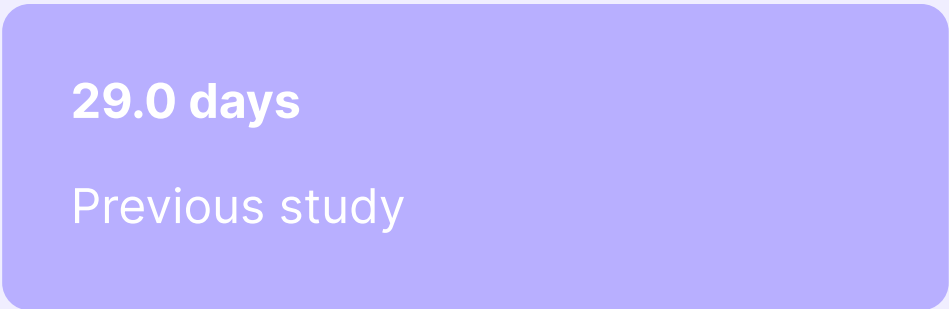
Tomorrow's department manager is today's new hire.

In order to fill future vacancies, tech recruiters must find the right candidates early and push them through the talent pipeline.

But this process is not as straightforward as people think. Studies as recent as 2020 suggested tech time-to-hire is just 29 days. But our survey shows only 14% of tech recruiters are hitting that goal. **The average is actually 43 days.**

This is because all stages of the recruitment process, from **prospecting, getting responses**, to **matching fit**, are taking longer and require more innovation than before. Since companies from all sectors are throwing in their bids for tech experts - candidates are becoming increasingly selective. To stand out from the crowd, tech recruiters must stay ahead of industry trends while managing the expectations of both hiring managers and candidates.

Time-to-hire Tech industry



01:

Prospecting



01: Prospecting

Cold emails aren't enough anymore

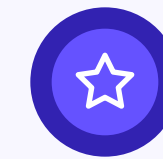
80% of recruiters using ContactOut get a 10%+ higher response rate. The story is different for cold emails, where the [overall average is 1%](#). Finding the right candidate emails is not enough to reach your talent pool.

Speed and accuracy are the names of the game when it comes to recruiting — and recruiters need to be prepared to adapt their approach and rethink their strategies.

This is especially true for tech recruiters...

[87% of recruiters use LinkedIn](#) to scout for candidates — and with an estimated 20.4 million users in the IT industry in 2021, LinkedIn holds a vast pool of candidates for tech recruiters. It only makes sense for recruiters to go fishing where the waters are better stocked, but recruiting on LinkedIn means learning the skills necessary to both reach prospective candidates and also utilize its tools.

Recruiters have to stay on top of the trends, incorporating newer and better tools to stand out from the crowd.

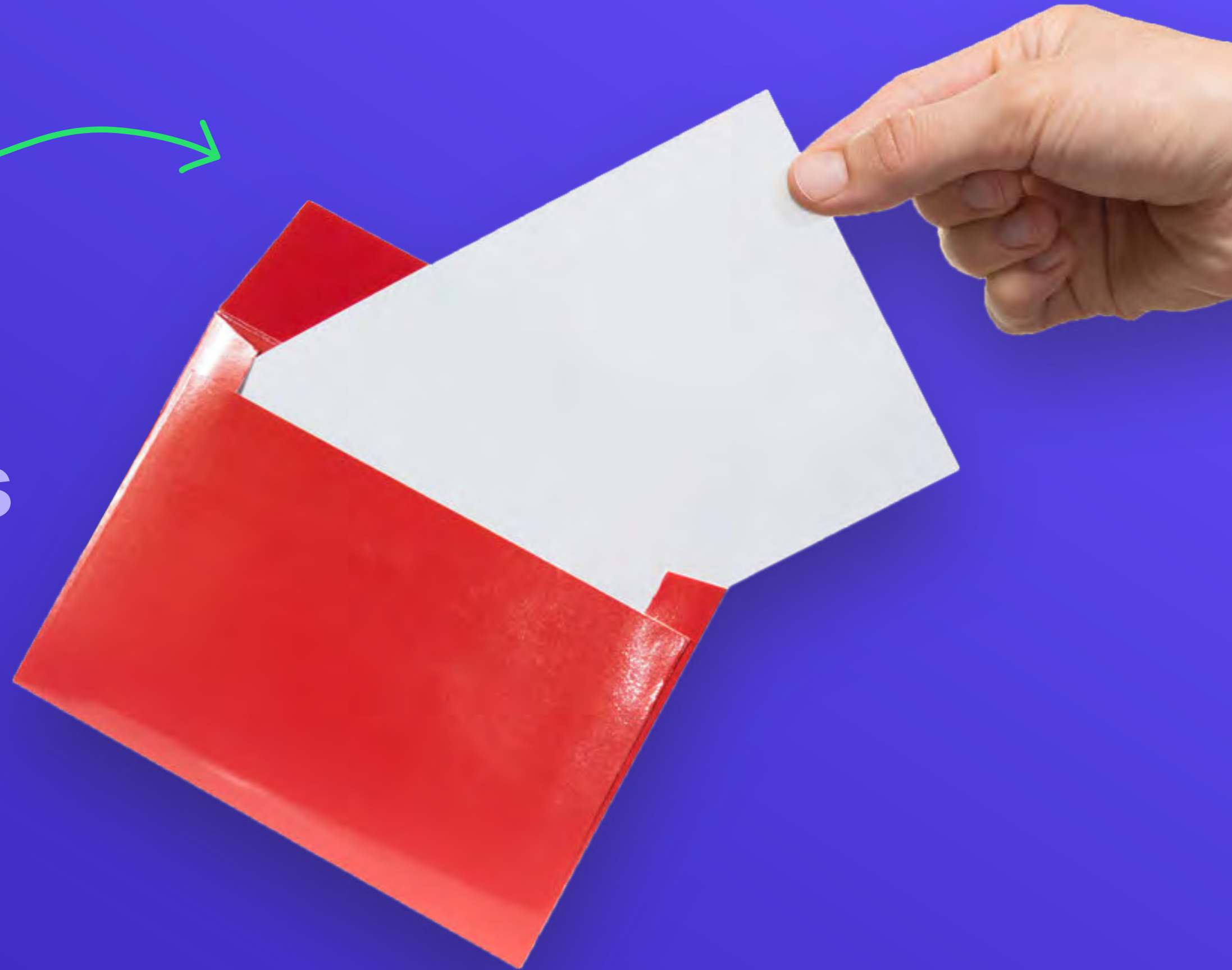


Did you know?

Research shows that top recruiters engage [60% more with LinkedIn recruiting tools](#) compared to average recruiters.

02:

Getting responses



02: Getting responses

Tech recruiters have a harder time getting responses.

Tech recruiters find that they need to spend much more time crafting personalized emails to get higher response rates. Which makes finding the right contact from the start that much more important.

But even after all that work...

Getting into the “30% club” is not easy for tech recruiters. A 30% or higher response rate is the reality for only 9% of tech recruiters, in comparison to 17% for non-tech recruiters.

Tech recruiters are half as likely to be in “the 30% club”

9%

Tech recruiters

17%

Other recruiters

0%

5%

10%

15%

20%

% of recruiters

02: Getting responses

“It can be incredibly frustrating when you put time and effort into creating a personalized email for an Expert only to have it bounce back with a return to sender.”



Zorana Mihic
Project Manager (Market Insights)
for Ivy Exec

Low response rates mean tech recruiters have to **spend 1.9 hours more per week prospecting** in comparison to their non-tech colleagues.



02: Getting responses

And when they get a response...

Tech recruiters face rejection much more often. *ee*

When tech recruiters do get a response from a candidate, it is much more likely to be a negative one. Tech recruiters are [56% more likely](#) to get negative feedback in hiring emails, and this takes a toll mentally. Tech recruiters are at a much higher risk of experiencing burnout due to their higher rate of rejection.

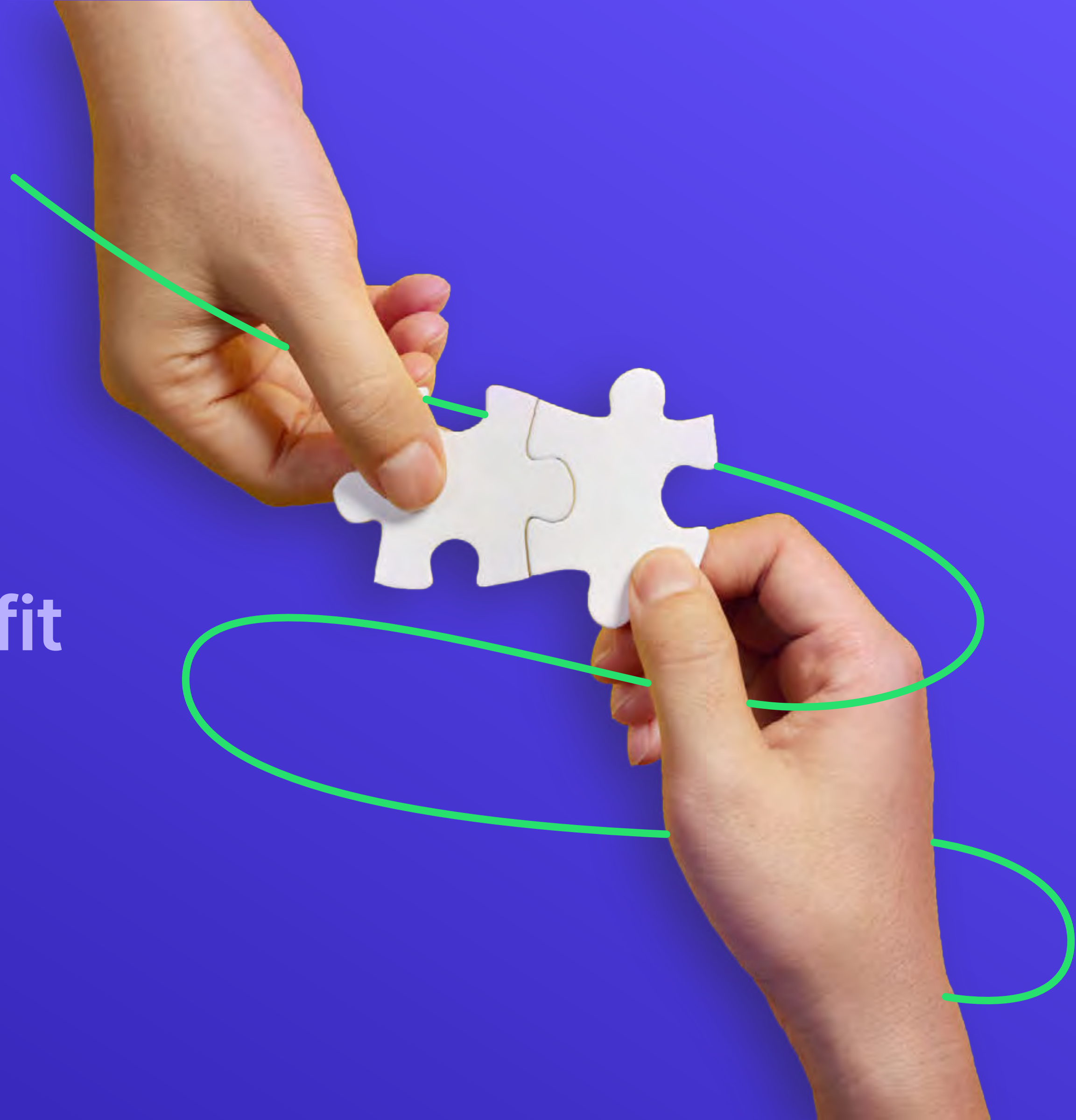
Percent of negative candidate responses

Tech vs. Non-tech recruiters



03:

Matching fit



03: Matching fit

Finding a good fit is harder for tech recruiters.

It takes longer for recruiters to find a match, and it's not just a matter of waiting for a unicorn to show up.

Tech recruiters report that in 2022, they spend 50% longer on screening calls than non-tech recruiters. The reality is that — tech recruiters are pulling longer hours and making fewer hires.

Length of initial screening call Tech vs. Non-tech recruiters

30.1 minutes

Tech recruiters

21.4 minutes

Other recruiters

0 10 20 30 40
% of recruiters

Time-to-hire Tech industry

42.8 days

ContactOut study

29.0 days

Previous study

0

25

50

days, time-to-hire

Essentially...

The job difficulty for tech recruiters is increasing fastest.

Given the difficulties they face at every stage of the recruiting process, it's no wonder that recruiters are feeling the strain. More tech recruiters report that their jobs have become increasingly difficult in the past year than their non-tech colleagues.

86% of tech roles take 30+ days to hire, whereas, for non-tech roles, only 65% of positions take that long to fill.

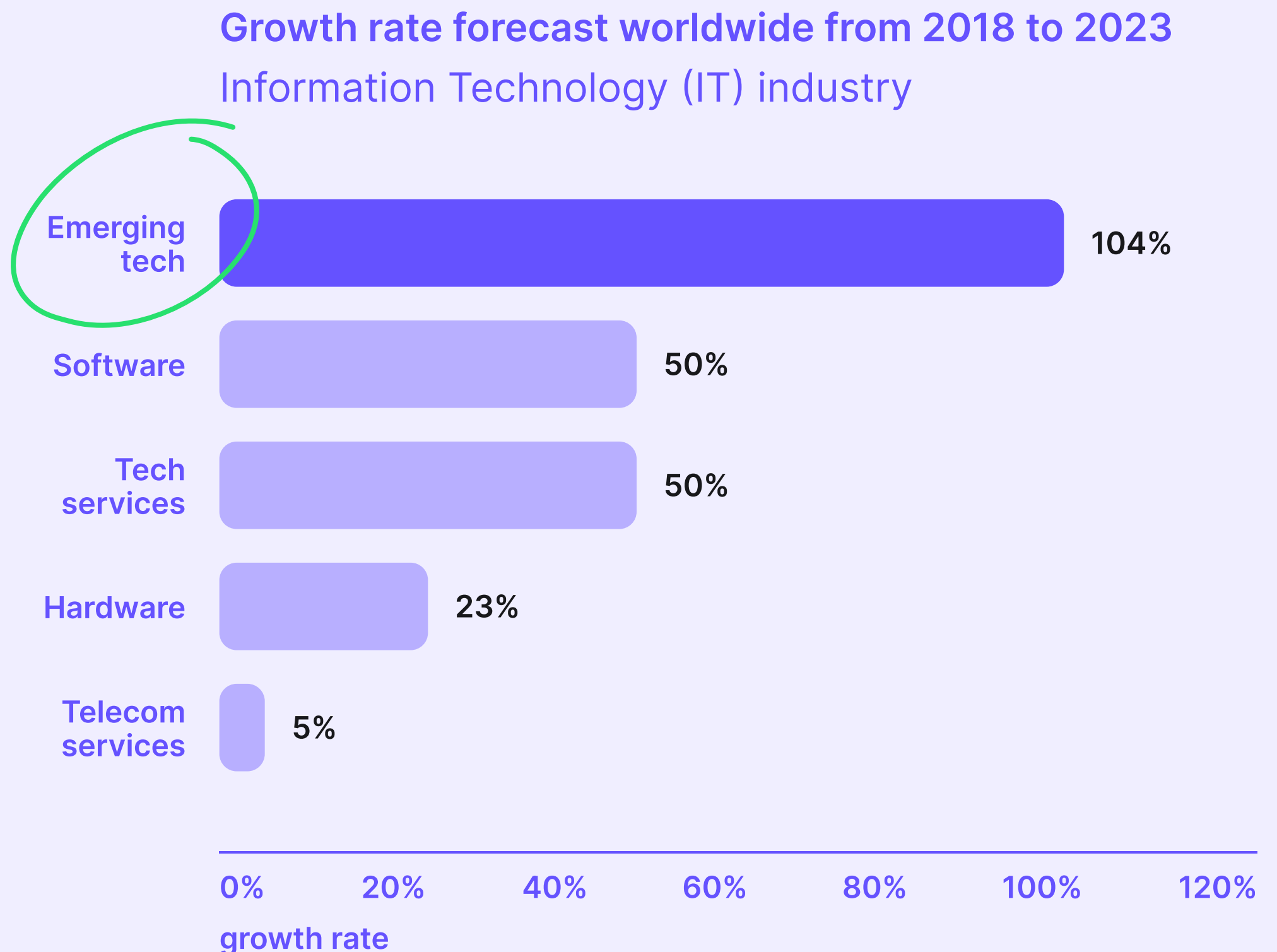
The question is then...

How then can recruiters reach the right tech candidates for tech roles?

The answer might surprise you —

The major growth of the industry lies in emerging tech. Tech workers are constantly chasing after the next Google or Facebook.

This means that as tech recruiters, you have to also be innovative in chasing down candidates.

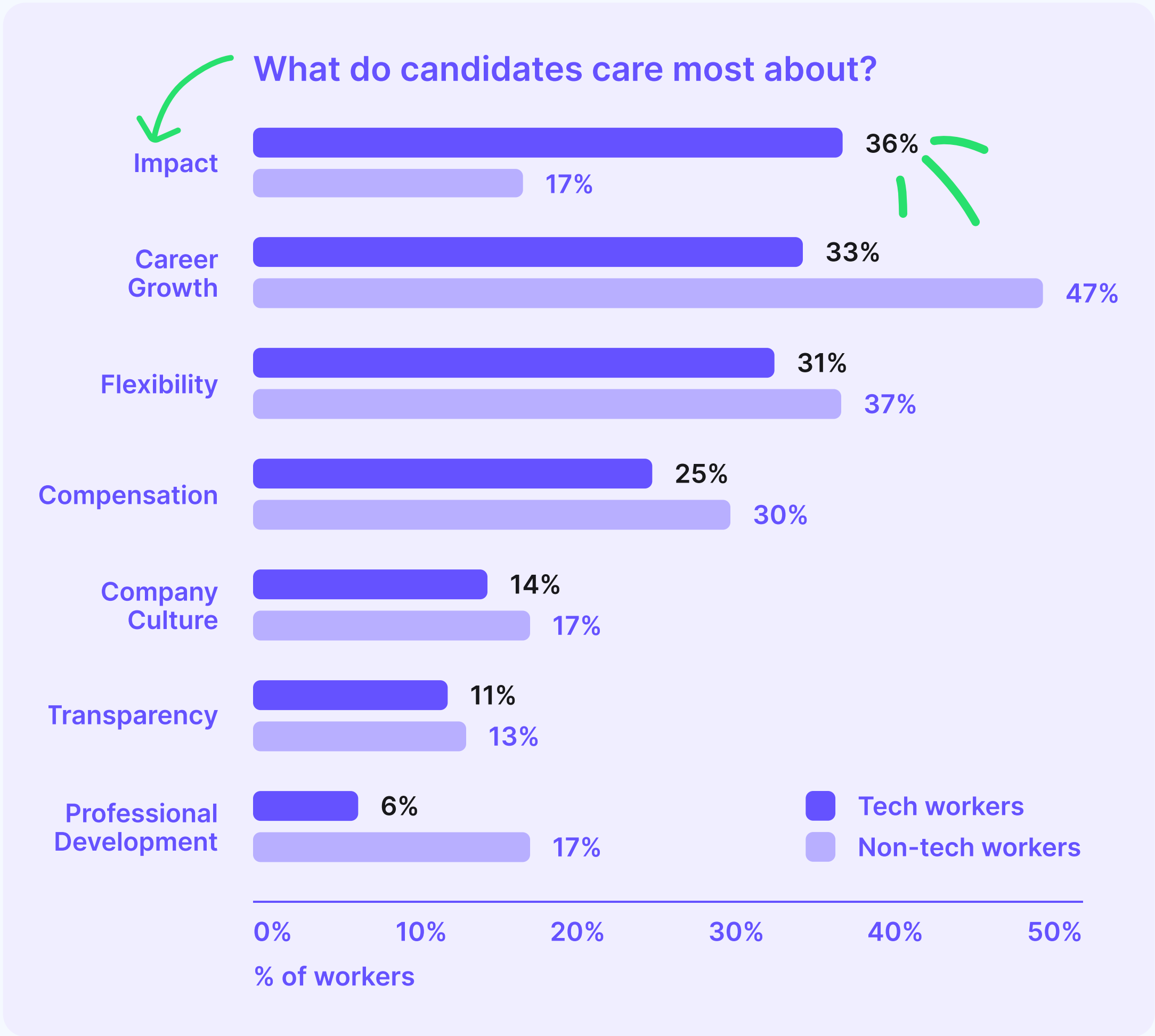


Information technology (IT) industry growth rate forecast worldwide from 2018 to 2023 via [Statista](#)

Tech workers care most about impact.

Compared to workers in non-tech sectors, we found that tech workers care 2.2x more about “the opportunity to grow the company and make their mark” than the compensation and career advancement opportunities they might receive.

High-level tech workers are results-oriented. They are interested in seeing positive and worthwhile outcomes of what they do. Rather than just showing up to work, they want to take part in the overall business direction and vision.



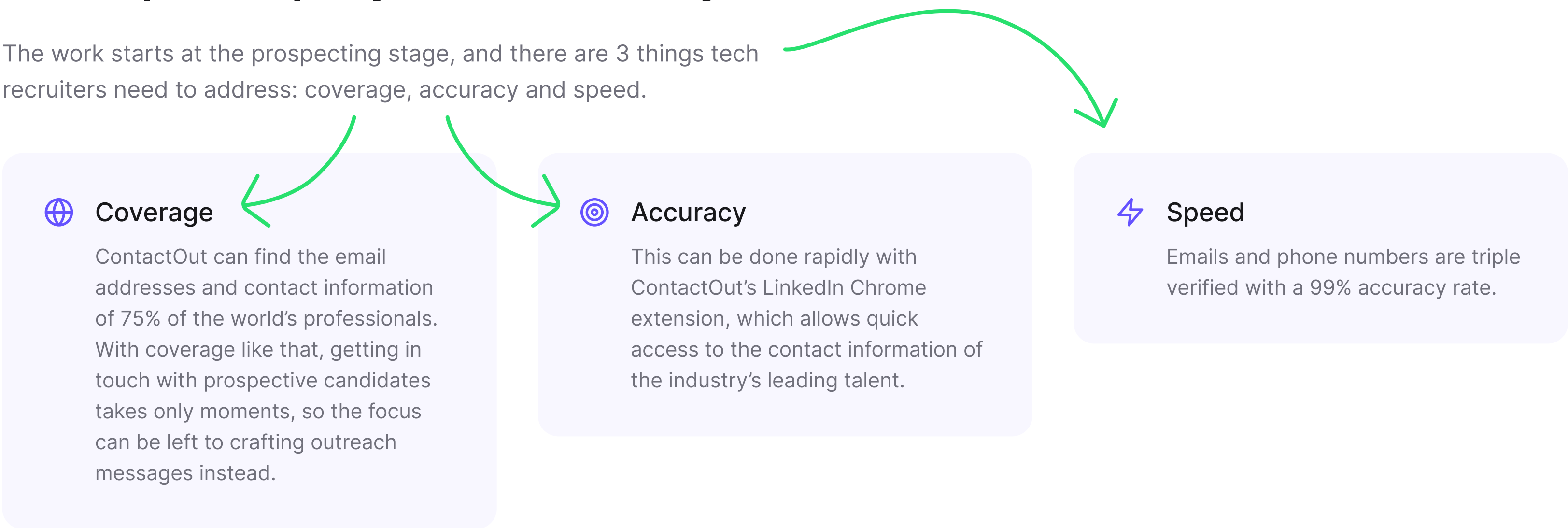
How can we
promote impact?



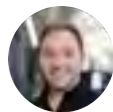
How can we promote impact?

1. Prospect rapidly and accurately

The work starts at the prospecting stage, and there are 3 things tech recruiters need to address: coverage, accuracy and speed.



"Not many tools can get you the correct email information, let alone a personal cellphone number like ContactOut does."



Nick Sanders
Recruitment Manager at Spreetail

"ContactOut has provided us with the ability to connect with the Experts we need, in a more seamless and timely manner."



Sara Farkas
Chief People Officer of Ivy Exec

"It takes under ten seconds. It takes me literally one click. That is the process. You click and then it is over."



Michael Wright
Global Head of Talent Acquisition at GroupM

How can we promote impact?

2. Lead with the why

Tech workers would rather talk about why they do something instead of what they do, so lead with the 'why.'

What is the company's philosophy, and what kind of impact would the candidate have in the role?

Rather than just working in a production line, candidates in the tech industry want to know that they are part of a system that creates meaning. For them to be able to see the meaning in what they do, they need to be shown the big picture. **Why does the work in that role matter to the company?**

Get them excited about contributing meaningfully to this vision.



How can we promote impact?

3. Get talking

Making a match is a two-way street. Encourage conversation and let the candidates get a chance to also be the interviewer.

By putting them in the driver's seat, there is an emphasis placed on their agency in the recruitment process while also allowing the opportunity for any of their concerns to be addressed directly.


Answering their questions isn't just about transparency. It's about making a strong first impression. By giving them a chance to learn more about the company, candidates can **visualize** themselves working there and picture how their contributions can influence the growth and development of the company.

Visualization is a powerful tool. The more a candidate can see themselves in the role, the more appealing the offer is for them. The interview is a great opportunity to personally connect to the candidate and give them a peek into a dream career they may find at the company.



Conclusion

**Your job is hard,
but it's also
really important**



Tech recruitment plays a vital role in an ever-growing and evolving industry. There is pressure to make hires fast, but both hiring managers and recruiters must be on the same page and hold realistic expectations of the time it takes to hire.

In a constant race against time, tools and methods that help speed up the process are important to master.

However, working smarter also means taking the time to do things that will have a lasting impact on candidates, even if it may take a bit longer.

Remember, you're not just looking for someone who can do the job – you're looking for someone who is going to make an impact. And that takes time.

“Recruiters now have the tool stack to enable them to think strategically and help their companies win in the long run versus just trying to fill in a near-term role.

This is a great time to be in recruitment. Top recruiters of the future will be deploying the best data and tool stack to hire and attract the best of candidates.”



Santosh Sharan
Co-CEO, ContactOut



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