

The Ultimate Applicant Tracking System Buyer's Guide



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Market Outlook

An abstract graphic on the left side of the page. It features a thick white line that starts at the bottom left, loops upwards and to the right, then loops back down and to the left, ending at the bottom left. There are three colored circles: a teal circle at the top right, an orange circle on the left side, and a teal circle at the bottom right. Each circle has a small white dot in its center.

The arrival of the pandemic in March 2020, and the subsequent shock of lockdown forced industries into an initial state of economic paralysis. This led to many economic casualties, but, as the lockdown progressed, businesses began to successfully adapt to the extreme and changing circumstances. It's by no means business as usual, but the economy is ticking along in this semi-restrictive current normal.

Although the pandemic is still with us, according to **research from Gartner** senior HR priorities are, **'moving away from crisis management toward focusing on what will make their organisations strong, both today and in the future, including having the right skills and competencies, building resilience and having a strong cadre of leaders'**. **HR's top priorities** in 2021 are adding critical skills, business growth and digital transformation.

A U-shaped recovery beckons, bolstered by the expected national vaccination programme, which should allow us to make great strides toward economic recovery. This will be welcome news to the huge reservoir of displaced talent eager to take up post-pandemic opportunities. Employers across affected industries are already seeing surges in job applications, and we expect candidate activity to intensify throughout 2021 as the job market corrects itself.

A best-of-breed applicant tracking system is exactly what organisations will need in 2021 to manage the flow of talent in what is likely to be an intense, U-shaped economic recovery.

What is an ATS?

ATS stands for Applicant Tracking System, which is a type of hiring software designed to automate many of the laborious and repetitive recruitment tasks, such as:

- Posting jobs on multiple jobs boards and social media accounts
- Manually sifting through CVs to generate a shortlist
- Email acknowledgement and rejection of candidates
- Manually scheduling interviewees with multiple attendees
- Entering CV information into a HR database

Things have come a long way since the first generation of ATS which could only be used in the office, by one person at a time and required an expensive, rigid, long-term licence, which made them really only suitable for large firms. The modern ATS now makes good business sense for all firms, irrespective of size: they are cloud and mobile accessible, come with flexible subscription plans, are cost effective and allow businesses to recruit staff from anywhere in a seamless fashion. In fact, modern, best-of-breed ATSs come with exciting features that will automate and streamline your hiring process such as:

- One click advertising to multiple job boards to save time.
- Easy-fill application forms to boost candidate experience.
- Applicant screening questions
- AI-powered CV screening and filtering
- Automated interview scheduling using self-service technology.
- Hiring manager review functionality, allowing virtual sharing of CVs with instantaneous 'thumbs up/thumbs down' review.

- Interview scorecards for rapid assessment of talent
- Automated communication with candidates using custom email templates
- Boolean searchable candidate database
- Real-time analytics & reporting
- Automated GDPR Compliance

Prioritise these features when shortlisting and selecting your ATS and you will eliminate menial tasks, reduce cost-per-hire and speed up recruitment significantly.

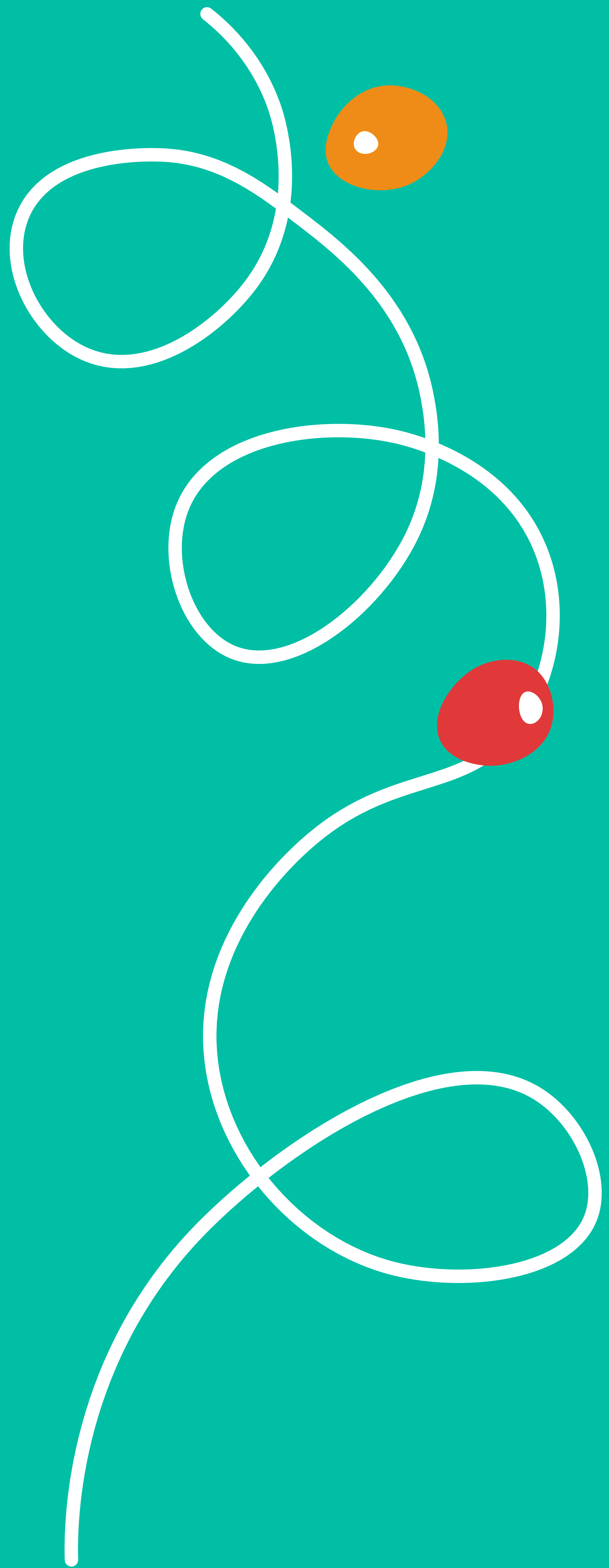
We realise that buying an ATS is a complex purchasing journey and through the next few chapters we will take you through an ideal ATS purchasing process, step by step. We will cover the most pertinent areas such as:

1. Is an ATS for me?
2. How to assess your own requirements in an ATS
3. Creating a shortlist for a suitable ATS
4. The ATS buyer's journey
5. Which ATS pricing model is best for you?
6. Additional considerations

Is an ATS for me?

Modern ATS's have the ability to streamline any hiring process, (driving down cost-per-hire and time to hire), through the clever automation of labour-intensive hiring tasks using sophisticated software algorithms and AI. Therefore if you engage in high-volume recruitment and get large numbers of applicants then you stand to save significant time and money from using an ATS.

But, an ATS also includes other value-adding features such as **interview scheduling, customised email responses to candidates, the ability to access from anywhere and hiring manager review**, this will improve the end-to-end quality of any recruitment process, irrespective of volume. So, if you are looking to enhance both the candidate experience and hiring process then an ATS is still a good option for you.



Assessing your hiring process - discover what you need from an ATS

Whether you are a first-time ATS buyer or ATS switcher, to ensure good traction and address potential change-apathy with internal stakeholders during your ATS buying journey, you'll want to clearly quantify the potential gains of your new purchase.

To do this, start by exploring each stage of the hiring process. **Identify any repetitive or time-consuming tasks that you or your team perform.** Quantify the time spent on each task to visualise the full extent of the issues or where there are opportunities to improve the process significantly.

Below are some common pain points that you may recognise in your hiring process, followed by a time-sheet estimate. (The time estimates are based on a job that typically gets around 50 applicants). This example list of pain points are more applicable to an ATS first-timer, but some will also apply to switchers.

- Manually posting jobs on multiple job boards for each vacancy that you have, requiring staff to individually login into and navigate different vacancy publishing systems. **15 minutes per job post.**
- Manually marketing your vacancies on individual social media accounts. **15 minutes per job post.**
- Scouring through crowded inboxes, manually downloading CV's, and manual curation of electronic file storage systems. **2 hours per job post.**
- Manually forwarding, (and re-forwarding) CV's to other in-house recruiters or hiring managers for feedback, which can also lead to duplication of effort. **1 hour per job post.**
- Sifting through large volumes of CV's to assess skills and qualifications and to create a longlist/shortlist for further review or interview. This is a common cause of bottlenecks. **8 hours per job post.**
- Manually entering key applicant data, such as name, contact details, qualifications, demographic info etc. into some kind of tracking system in Excel or Word. **4 hours per job post.**
- Having to send volume email acknowledgements/rejections to applicants. **4 hours per job post.**
- Manually coordinating availability and arranging interviews with candidates and one or more interviewers across 2 or even 3 stage interviews. This can be a common cause of delays in the hiring process. **2 hours per job post.**
- Manually entering onboarding information into the company HR system for successful hires. **1 hour per job post.**

Total Time Spent: 22.30 hours per job post

Return on Investment: What will your business gain from a new ATS?

Make sure that the financial return on investment is clear to all stakeholders to maintain traction and enthusiasm. **The above example promises £18,000 gross savings per year from automation based on an in-house recruiter being paid at £12.50 per hour and the company hiring 60 people a year, spending an average of 24 hours on a post.** Elimination of such tasks above will also increase job satisfaction and engagement within your hiring team.

You'll need to make sure these pain points are addressed by whichever ATS you choose, to ensure these labour savings are achieved and to realise this return on investment of course.

Issues with your current ATS

Dissatisfied with your existing ATS? Establish your pain points to clarify next steps. If you already have an ATS you may recognise some of the following pain points/limitations, which could be a sign you need to switch or at least review the situation with your vendor.

- 1 It's become shelfware, e.g. sitting on the metaphorical shelf and not being used. In-house recruiters may be using their own processes outside of the ATS system to get hiring tasks done.
- 2 It's feeling like an outdated legacy system, lacking some of the punchy, flexible features you read about with modern, cloud-based subscription software, such as being accessible from any location with an internet connection. It could be awkward to use versus other tools, potentially frustrating and deterring applicants and internal users.

- 3 Increase in company size. System users have increased significantly which has altered your requirements meaning your current system may no longer be a good fit.
- 4 New hiring strategy. Perhaps you are now hiring internationally or making more use of contingent workers or need to hire from different sources and the current ATS no longer fits requirements.
- 5 Limited functionality. ATS lacks mission-critical features and does not have the capacity to support an integration.
- 6 More cost effective/suitable pricing model.

If you are facing these issues with your current ATS, you may need to take it up with the vendor. If they can't provide a satisfactory solution, it may be time to switch. Even if they do offer solutions, (many of which may have attached timescales and additional costs), **with an ever expanding marketplace it's the right time to check the marketplace to see if alternative vendors can offer a more cost-effective package, with enhanced functionality, instantaneously.**



Creating a shortlist for a suitable ATS

Now you know what you need, look for an ATS that fits your criteria. It's now time to assess the marketplace for ATS software. A good way to do this is to create a simple needs and functionality checklist.

This is a simple 2 column document. The first column contains needs, (derived from your hiring pain points) and the second column contains actual functionality offered in the ATS. You can then visit aggregator sites like [Capterra](#) and [G2](#), which contain summarised

information and reviews about ATS's, allowing you to establish what extent each ATS software meets your needs and create a shortlist to go to market with.

Here's an example needs and functionality checklist that an ATS Switcher or First-Timer can use to establish if a vendor's product suits their needs.

Needs and Functionality Checklist

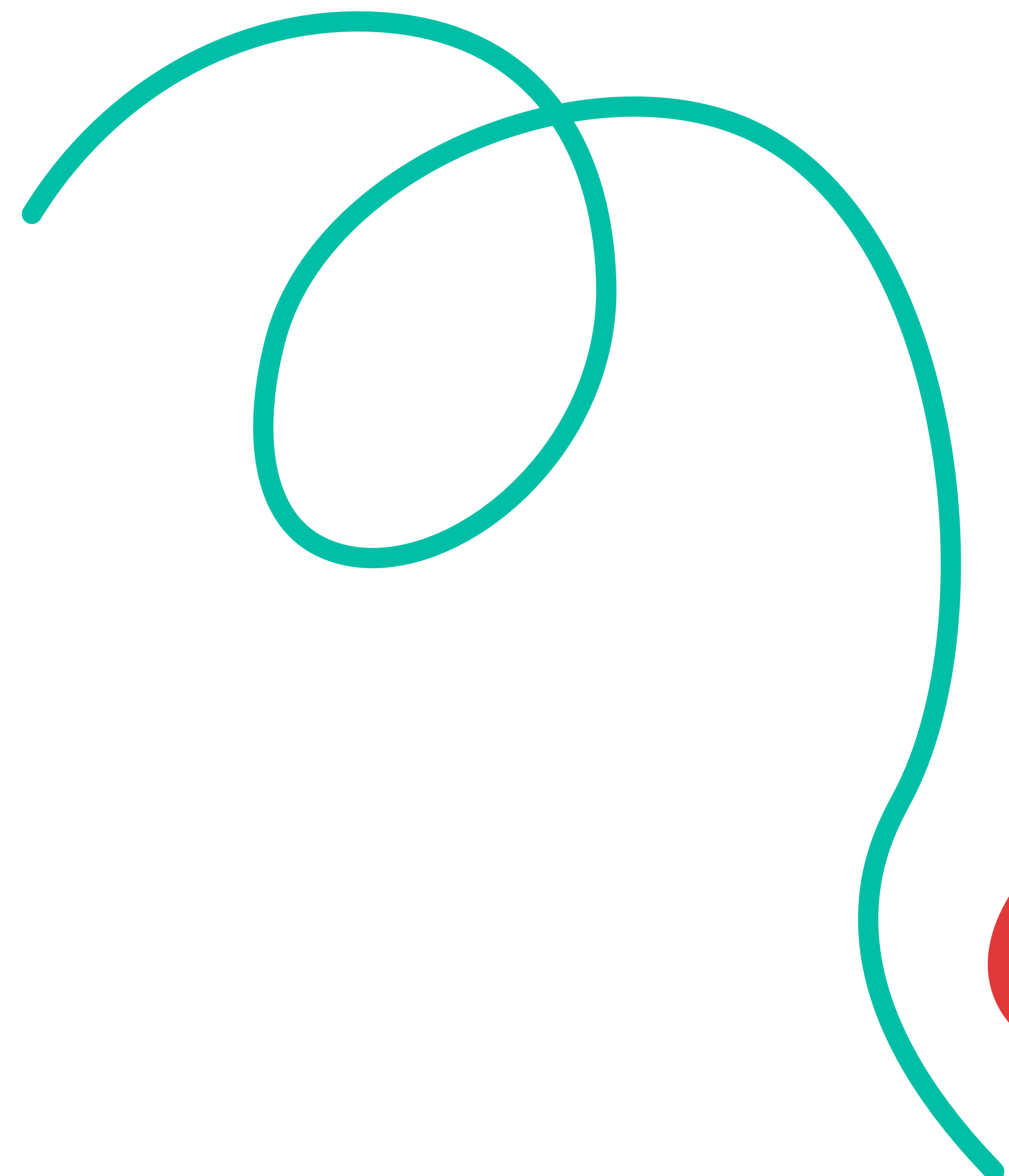
Pain Points and Needs (Examples)	Functionality Offered
Slow time-to-hire vs the competition	Includes automation functionality and several time-saving features.
Labour-intensive hiring process. Current system does not support high volume recruitment. Need to eliminate/reduce manual tasks. Cost per hire is well above industry norms. We've noticed that our charge per job is very high in our current ATS and so is charge per job posted.	<ul style="list-style-type: none">• One click advertising to multiple jobs board to save time.• Applicant screening questions to quickly eliminate non-viable candidates.• AI-powered CV screening and filtering.• Automated interview scheduling using self-service technology.• Interview scorecards for rapid assessment of talent.• Automated communication with candidates using custom email templates.• Boolean searchable candidate database.
We recruit in several countries and our current system is really only used at the head office.	<ul style="list-style-type: none">• Entirely cloud-based so can be used anywhere.• Supports multiple languages and currencies.

<p>Candidates complain about poor communication during the hiring process and having a poor experience of the company.</p>	<ul style="list-style-type: none"> • Automated and personalised communication with applicants using custom email templates throughout the applicant journey. • Some chatbot functionality. • Easy-fill application forms to boost candidate experience.
<p>The collaboration process between in-house recruiters and hiring managers is poor and frustrating and especially difficult when staff work in different offices, at home or in other remote locations.</p>	<ul style="list-style-type: none"> • Cloud-based workflow and communication process so remote teams can work together effectively. • Hiring manager review functionality, allowing virtual sharing of CV's with instantaneous 'thumbs up/thumbs down' review.
<p>Poor visibility into Diversity and Inclusion effectiveness and practices.</p>	<ul style="list-style-type: none"> • System can automatically blank out sensitive demographic information related to protected characteristics. • System has fully automated D&I reporting with the ability to customise.
<p>Data security</p>	<p>Automated GDPR compliance and ISO certified.</p>
<p>User uptake of previous tech systems is not good. Lack of support from current suppliers.</p>	<ul style="list-style-type: none"> • Full onboarding support offered • Email and live chat support offered • Extensive video tutorials
<p>Lack of integration with current systems means we have to manually transfer data back and forth between accounts and human resources.</p>	<p>System integrations:</p> <ul style="list-style-type: none"> • Social media accounts • Careers page • Major jobs board • Electronic signature software • Payroll ADP • HR software • Background assessments • Pre-hire assessments
<p>Current system feels outdated and is awkward to use and some processes are by-passed. It's in danger of becoming shelfware.</p>	<ul style="list-style-type: none"> • AI-powered CV screening and filtering • Cloud integration • Social media collaboration features • Real-time analytics & reporting • Flexible pricing and upgrading

The ATS Buyers Journey

Once you have done the groundwork on establishing your pain points and needs, along with initial screening of systems, it's worth developing an implementation schedule and sharing this with stakeholders to help focus minds on the goal.

If you find a system that meets your needs, has the functionality, support and is at the price point you are looking for, there may be no need to go through this process with more than 1 vendor. Though it is worth testing out a system before implementation to ensure the fit is right, both in terms of support and system itself. Therefore, **ensure any system to review offers a free, no-obligation trial.**



Timelines

3 days - Review vendor websites and demos to develop a longlist of 4 to 8 providers.

2 - 4 weeks - Take the best fitting system forward for trial and ask in-house recruiters to list out pros and cons throughout.

3 days - Review feedback and ask vendor any arising deep-dive questions.

1 week - Consultation with internal decision makers and selection of vendor.

1-3 days - Soft launch following onboarding and support.

Which ATS Pricing Model is Best for You?

Nearly all ATS pricing models are now subscription-based, which means you pay a monthly/annual fee for access to their cloud-based service and technical support.

These subscription services usually offer 3 to 4 pricing tiers, providing increasing levels of functionality/capability for a higher subscription fee.

These pricing/functionality tiers are typically segmented according to the following criteria:

- **Per job posting**, e.g. Tier 1 = Up to 8 jobs a month, Tier 2 up to 15 jobs a month, etc.
- **Per employee**, e.g. Tier 1 = Up to 10 employees, Tier 2 Up to 50 employees etc.
- **Per in-house recruiter**, e.g. Tier 1 = Up to 1 in-house recruiter, Tier 2 Up to 5 in-house recruiters.

Core Features and Add-ons

It's also likely that functionality will be limited in Tier 1 and increasingly sophisticated features and capabilities will be added as you move through the tiers.

Irrespective of the pricing model, you should expect to have a fully functioning ATS at Tier 1, including the following core features as a minimum:

- Job Posting Engine
- Applicant Tracking
- Custom Workflows
- Integrated Careers Page
- Social Sharing
- Job Assigning

- Interview Scheduling
- AI CV Scoring & Matching
- Unlimited CV Database
- Boolean Searching
- Reporting
- Automated Data Retention
- Security & GDPR Compliance
- Email Support

When choosing your pricing model, check carefully that the core pricing model has these core features. **As your company grows and evolves and needs change, (or if you already have sophisticated needs), you should be able to progress through the pricing tiers to add additional functionality.** Common features you'll find in higher tiers might be instant online chat support, interviews scorecards, HR system integration, hiring manager access etc...

In reality, the modern subscription pricing model is deliberately flexible to suit the modern business world. As a general guide a bigger company with more predictable and sustainable workflows may choose an annual plan in exchange for a discount, whereas smaller, more nimble companies with less predictable work and cash-flows may benefit from a monthly plan allowing upgrade/downgrade/switch flexibility.

Additional Considerations

Here's 4 additional things to consider when making your selections.

- 1** Always review the vendor's current clients. If the system is being used by competitors or businesses similar in size, scope and operational model, there's a good chance it will suit your business too.
- 2** User case studies can provide detailed insight into how the software is actually being used today in real businesses and should inform your short-listing. If the vendor doesn't have a user case study on the website, ask if they can send you one to review. Some vendors may actually let you speak to an existing client/user about the software. Favour user case studies which are relatively up to date, e.g. less than a year old, as it's a fast-changing market.
- 3** Consider how long the vendor has been in operation. Older companies potentially have a more tried and tested business model, but could also have a lot of legacy systems and be less nimble. Try and find a balance between longevity and clear commitment to product development and innovation.
- 4** You ideally want to engage with a provider whose product will evolve with the marketplace and your needs. Ask for a product development roadmap as this will help you to see the product's intended evolution programme

Final Decision

At the end of this process, you should have all the information to make an informed buying decision. **If you'd like any impartial advice on any aspect of the purchasing process, do get in touch.**

We also have an excellent, fully featured ATS which is available on a flexible, subscription basis and you can read more about it [here](#).

Alternatively, why not try out Occupop for two weeks with no-obligation. We have all the core features you need in an effective ATS, and so much more.

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