# 2021 HackerRank Innovator Report

The state of tech hiring around the world

#### INTRODUCTION

With the acceleration of digital transformation during the pandemic, every company is now prioritizing one thing: innovation.

This makes it an incredibly hot market for hiring top developers. Every company—regardless of industry—is now a competitor in the war for tech talent... and a sophisticated hiring process will be your secret weapon.

In-person, hybrid-remote, and fully-remote work models are all on the table based on the last 18 months, and we anticipate companies will continue to leverage technology regardless of the model they choose. With companies hiring and onboarding more remote employees, the rapid adoption of hiring automation has only accelerated.

Standardization is at the core of this fundamental change and technology adoption will continue to fuel this growth across all industries.

But how can you determine the sophistication of your hiring process? How can you get a clear understanding of where the gaps are in hiring tech talent?

Introducing: The HackerRank Hiring Maturity Model.

#### **HackerRank**



Source: Future of Jobs Report,
World Economic Forum

#### TOP 10 EMERGING ROLES

#### 1. DATA ANALYST AND SCIENTIST 2. AI AND MACHINE LEARNING SPECIALIST

3. GENERAL AND OPERATIONS MANAGERS

4. SOFTWARE AND APPLICATIONS DEVELOPERS AND ANALYSTS

5. SALES AND MARKETING PROFESSIONALS

6. BIG DATA SPECIALISTS

7. DIGITAL TRANSFORMATION SPECIALISTS

8. NEW TECHNOLOGY SPECIALISTS

9. ORGANIZATIONAL DEVELOPMENT SPECIALISTS

10. INFORMATION TECHNOLOGY SERVICES

#### WHAT IS THE HIRING MATURITY MODEL?

The HackerRank Hiring Maturity Model is an industry-first tool that provides a candid look inside some of the most innovative companies in technical hiring. It provides insights into where companies are in their quest to leverage technology to hire the best, most diverse talent.

The HackerRank Hiring Maturity Model identifies existing opportunities for companies to create a more standardized hiring process to compete for top talent while ensuring a world-class experience for candidates and interviewers, alike.

There are 5 core phases of hiring: PLAN, SOURCE, SCREEN, INTERVIEW, and RANK.

The HackerRank Hiring Maturity Model is emblematic of how incremental process changes impact hiring in every organization, big or small.

While there is not a single "right" way to get started, identifying gaps within your process as it currently exists will influence how you think about improving your hiring strategy to fuel future innovation.

#### **HackerRank**

We've used the responses from our self-assessment tool taken from February through April 2021 to develop the HackerRank Innovator Report. This report represents responses from more than 1,000 companies and 53 countries. The insights showcase how some of the most innovative companies stack up in the war for tech talent.

#### 1. Plan

Plan is the stage where teams determine how many roles need to be filled, what specific technical skills the new role requires, and how to assess them throughout the hiring process.

#### 2. Source

Source is the stage where teams find and/or invite a compelling pool of candidates to consider for the open role.

#### 3. Screen

Screen is the stage where teams conduct an early verification of the candidates' role fit. The goal is to identify early markers of well-suited candidates in an efficient, candidate-friendly way.

#### 4. Interview

Interview is the stage where hiring teams and candidates are able to assess mutual fit. This takes place through in-depth explorations of skills fit, values fit, and feedback from the interview panel.

#### 5. Rank

Rank is the stage where teams determine which candidates are best suited for the job, based on performance against other candidates, existing employees, and a global talent pool.

#### ASSESSMENT RESULTS

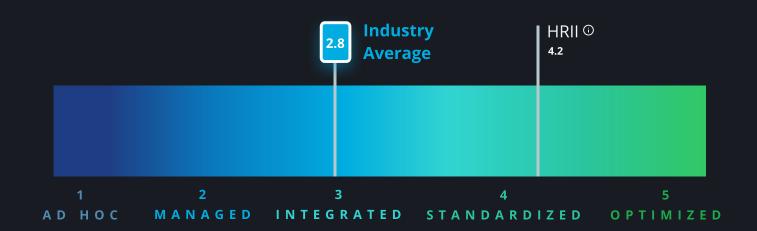
#### There's lots of room for improvement in tech hiring.

Overall, respondents scored an average of 2.8 (out of 5.0) on the Hiring Maturity Index.

The top 10% of respondents scored a 4.2 or above. These represent the leading innovators in tech hiring.

While COVID-19 certainly shifted the hiring landscape and forced companies to adapt quickly, we still have a long way to go in achieving remote hiring excellence.

#### **Maturity Score**

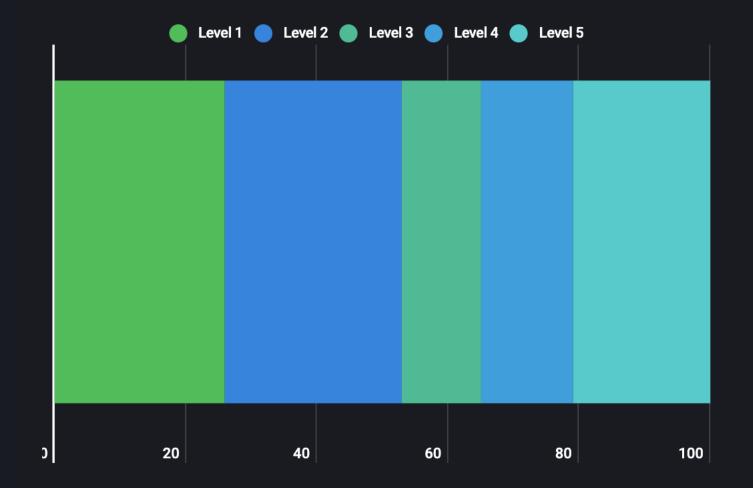


#### ASSESSMENT RESULTS

# There is no clear winner (or loser) in the maturity of a specific phase.

Surprisingly, there is no single phase that stands out as the most mature across all respondents. There are equal opportunities for growth across all 5 phases.

For example, 21% of respondents rated themselves a 5 in the PLAN phase, but there are still 53% who scored themselves only a 1 or a 2.



#### ASSESSMENT RESULTS

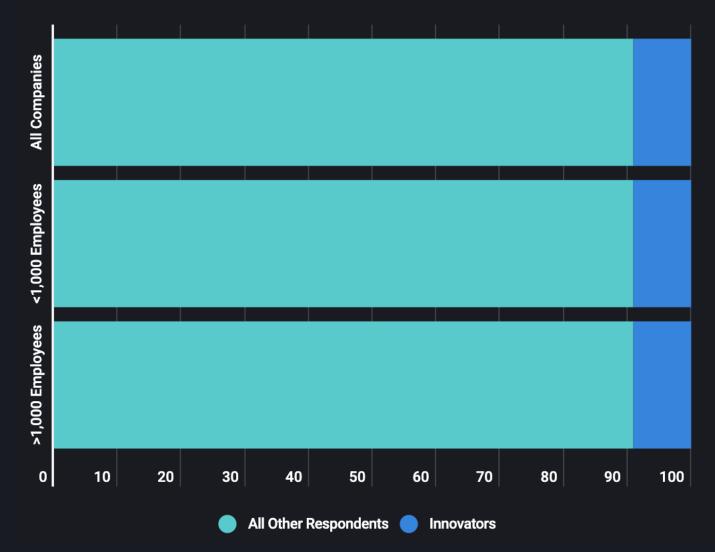
# Bigger doesn't mean better.

Company sizes were evenly split across maturity scores.

This could be because the pandemic forced all companies to quickly adapt and ramp up their hiring processes to compete with other companies who were already hiring remotely.

#### **HackerRank**





#### ASSESSMENT RESULTS

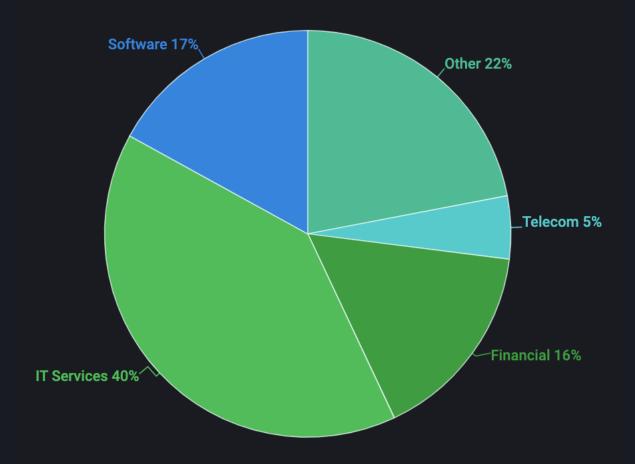
#### There's innovation happening across all industries.

Just under half (40%) of respondents are IT Services companies, including tech recruiters, who are very engaged in the adoption of technology to support their hiring so they can meet the overwhelming demands of their customers.

Similar to HackerRank's customer base, Software and Fintech companies represent a large percentage of the respondents and innovators.

However, we saw innovators emerge from a wide variety of industries including grocery retailers, autonomous vehicles, telecommunications, and social media.

#### Responses by Industry



#### ASSESSMENT RESULTS

#### Rooting out unconscious bias is still a challenge.

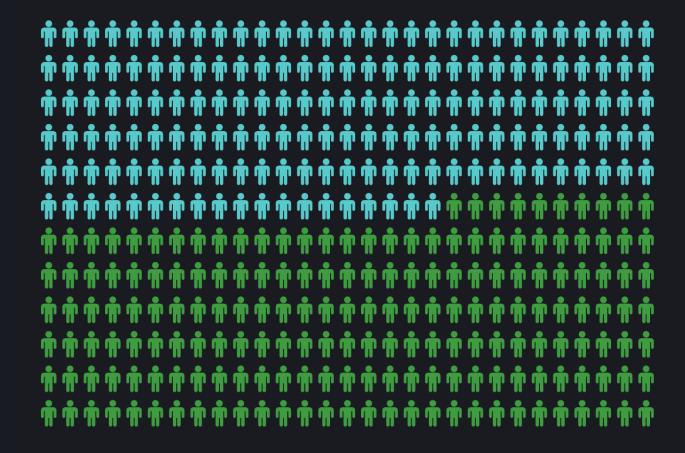
Only 47% of respondents said they use skills as the foundation for creating a tech job description.

And, only 41% of respondents are using technical Skills Assessments in the SOURCE or SCREEN phases of recruiting.

This means that more than half of job requisitions and candidate selection are created with little to no standardization to measure candidates against.

Companies who aren't using skills as the fundamental benchmark for creating job descriptions may be prone to allowing unconscious bias to seep in even before the interview stage—and are at risk of missing out on qualified candidates.

#### Percentage of Respondents Who Create Skills-Based Job Descriptions









#### ASSESSMENT RESULTS

# Innovators are more skills-centric in the beginning.

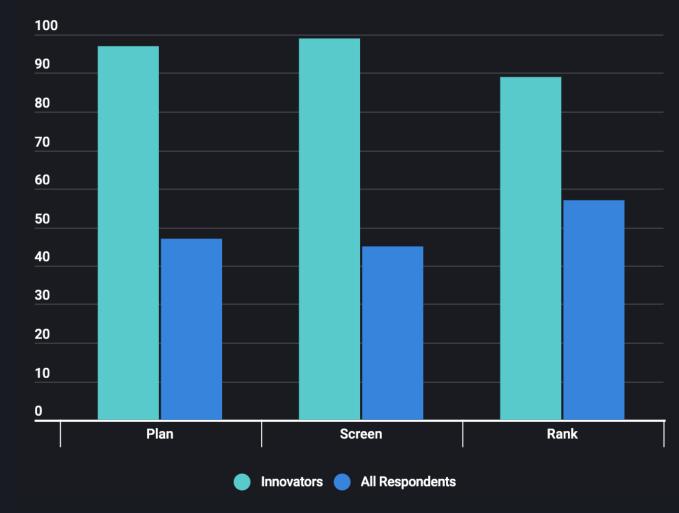
Innovators put skills at the center of their process, reducing the element of unconscious bias. But, while they start off strong, the data shows a drop at the offer stage.

A full 97% of innovators are using skills as the foundation in the PLAN phase, 100% of innovators are screening candidates based on skills during the SOURCE or SCREEN phases, but only 89% of them are making hiring decisions in RANK with skills benchmarked against other candidates.



**Innovator Tip:** Eliminate bias by incorporating skills at EVERY stage of the hiring process—from job description to offer stage.

#### Percentage of Respondents Who Use Skills in Each Phase



#### ASSESSMENT RESULTS

## HR & Engineering don't always see eye-to-eye.

Engineering respondents report that PLAN is the most mature of their 5 phases, whereas HR respondents rated PLAN as the least mature.

This gap in perspective could be because engineers have a very clear vision of what skills and qualities they are looking for in a new hire, and believe they have a strong process for identifying those skills. On the other hand, HR is so far removed from the skills and requirements needed for that role but are much more invested in establishing a fair and valid hiring process.

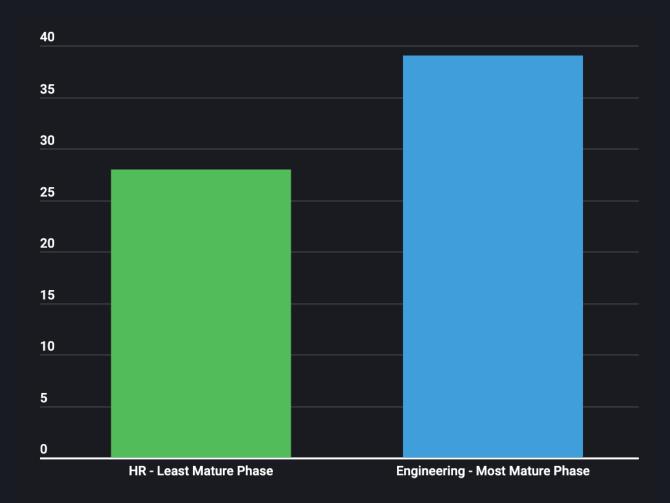
This misalignment proves that organizations have some work to do in creating a stronger partnership between HR and engineering when it comes to hiring.



**Innovator Tip:** Establish a strong partnership between HR and engineering in the early stages of hiring.

#### **HackerRank**

#### Percentage of Respondents Who Scored 4 or 5 in PLAN Phase



#### ASSESSMENT RESULTS

## Divisions within a company can be more mature than others.

We found that some respondents from different divisions within the same company scored differently.

For example, the recruiting teams in the US and APAC of a global internet giant scored themselves at a very respectable 3.95—indicating a very mature set of processes and technologies across both regions. At the same time, a newer division from a recent acquisition is lagging way behind—scoring at a 1.5.

With the increased heft of the corporate tech brand, the new division is in even greater need of proven tools and processes to manage the onslaught of the increased candidate pipeline.

The data shows similar differences emerging across all phases of the recruiting process, in many companies of all industries, sizes, and geographies.

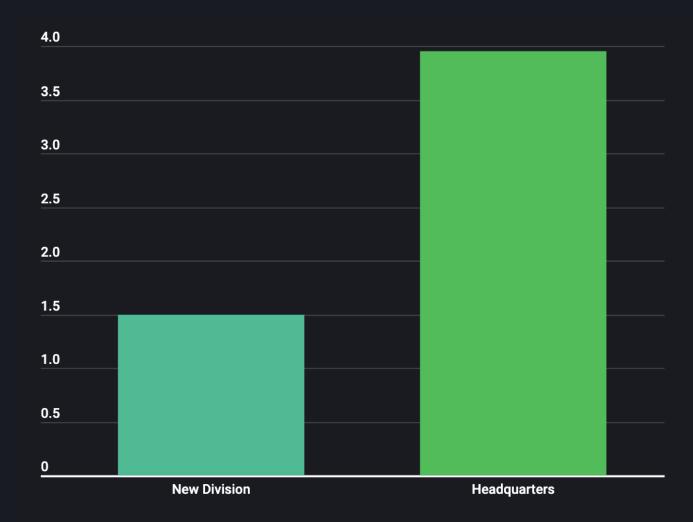
This tells us that one of the best ways for you to improve your maturity is to look across the entire organization.



**Innovator Tip:** Use the HackerRank Maturity Model internally to uncover gaps in your tech hiring process.

#### **HackerRank**

#### Global Internet Company Maturity Score



# Ready to start hiring like an innovator?

No matter where you fall on the Hiring Maturity Model, there are always ways to refine and streamline your tech hiring process.

**Learn How**