

Resourcing Leaders: Project Impact

Measuring the commercial
value of TA



Project Impact

Industry challenge

Talent Acquisition leaders today face intense pressure to demonstrate clear ROI and evidence their direct commercial impact to senior stakeholders. Without standardised data, every TA leader is reinventing the wheel and struggling to prove how their work impacts the bottom line. Many are keen to move away from traditional metrics like Time to Hire but struggle to establish Value-Based Measures (Cost per Hire, Quality of Hire) in a consistent way.

Why it matters

- **Data-Led Decisions:** Leaders already recognise the benefits of actionable insights grounded in global best practices
- **Stakeholder Confidence:** Leaders are laser-focused on speaking the language of C-suite finance and operations

At a recent Government think tank focused towards building consistency in recruitment, there was much discussion about alignment of definitions and metrics. Let's lead the way to make this a reality.

Potential outcome

Through collaboration across various communities of TA leaders (cross-geography, cross-industry), we will create a suite of measures that can become a benchmark for TA value, stimulating mature and evolutionary discussions with their businesses about the function as a value creator.

We have further opportunity if we lead the benchmarking of these value measures:

- **Thought Leadership:** Driving influence through cross-market benchmarks
- **Network Expansion:** Enabling growth via shared data stories

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Approach

- Prepare a succinct briefing document outlining the benchmarking initiative
- Socialise throughout the membership to explain rationale and identify a steering group to act as the voice of the community (i.e., validate measures, test alignment, etc.)
- During these sessions, gather intelligence on current ways of working and barriers (e.g., recent WhatsApp discussion about Quality of Hire challenges)
- Partner with Talent Benchmarking (Jeremy Thornton) to capture metrics being tested

Leading Success Metric: Vacancy Gap

Definition: A ratio of current open vacancies to positions filled (measured on a specified consistent date, e.g., 1st of each month).

Why: if you don't actually fill a vacancy all metrics are essentially vanity measures. Having a 'pinnacle' measure allows the establishment of layers or tiers of other metrics, each of which may vary in relevance or importance to different organisations - but all defined in a standardised manner that will allow benchmarking and cross organisation/geography comparisons.

Scope: Focus exclusively on permanent hires, excluding early careers, contractors, and fixed-term employees (these may follow at a later date).

Critical Standardisation Requirements:

- 'Permanent employee' defined as an individual employed with no predetermined end date, or in the UK context, those enrolled in the company pension scheme
- Implementation to involve direct 1:1 alignment on metric definitions with each organisation taking part in the initial phase.

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Scope

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'Permanent employee' defined as an individual employed with no predetermined end date, or in the UK context, those enrolled in the company pension scheme

Exclude early careers, contractors, and fixed-term employees.

Data

Utilise standardised data definitions and measurement criteria to ensure consistency and alignment across all organisations. No personally identifiable information (PII) can be collected; each member will only have visibility into their own data, with all shared datasets aggregated to maintain privacy, confidentiality, and data security. •

Implementation to involve direct 1:1 alignment on data definitions and security with each organisation

Complementary Metrics

To position the **Vacancy Gap Ratio** as a credible and commercially relevant pinnacle metric within Talent Acquisition, it should be embedded within a structured, evidence-led framework of supporting measures.

These complementary metrics transform the ratio into a commercially defensible tool acting as diagnostic levers that provide critical context, surface root causes of performance gaps, and enable targeted, data-driven interventions. Together, they ensure a clear and measurable link between operational TA performance and broader organisation's outcomes.

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Complementary Metrics

- **Percentage Differential: Vacancies vs. Hire Numbers**

Measures the proportion of approved roles that remain unfilled, highlighting potential inefficiencies or misalignments in talent acquisition processes.

- **Revenue Impact from First-Year Attrition**

Quantifies the financial consequences of attrition occurring within the first 12 months of employment—an indicator of quality and effectiveness directly attributed to talent acquisition performance.

- **Average Interviews per Role**

Reflects the efficiency and rigour of the candidate assessment process, helping to diagnose potential friction or inefficiencies in selection practices.

- **Average Time to Hire and Start**

Tracks the total duration from vacancy approval through to employee start-date, highlighting the agility and responsiveness of recruitment processes and their direct impact on business continuity.

- **Total Revenue Impact for New Hires**

Measures the cumulative financial impact of time-to-hire across all filled roles over a 12-month period, illustrating the commercial significance of timely recruitment on organisational performance.

- **Declined Offers by Salary Level**

Highlights commercial exposure by examining the volume and cost implications of declined offers segmented by compensation bands, informing more strategic salary positioning.

- **Headcount Percentage (Vacancy Ratio)**

Represents open positions as a percentage of total organisational headcount, providing an indicator of staffing stability, workload strain, and recruitment effectiveness.

- **Source of Hire Efficiency**

Analyse recruitment channels through three lenses—percentage of hires, associated hiring costs, and attrition rates—enabling strategic optimisation of recruitment spend and supplier management.

Our ask - are these the right secondary measures? To what extent can these be standardised across TA? Where don't they apply?

What's next?

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Identify opportunities over 2025 to introduce concept and undertake consultation and gain commitment with a selected group of organisations over both pinnacle measure and metrics proposed for benchmarking.

Get in touch

If you are interested in this initiative or have further questions, please reach out.

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