Megatrend 4

EMERGENCE OF NEW, AND EVOLVING, TECHNOLOGIES

Technology is transforming how people work. It is revolutionising how clients and candidates engage and interact with job markets, and with Hays. Almost every area of recruitment is becoming digitally enabled at a breathtaking pace, creating vast quantities of valuable data.

What this means for us

The guiding principles of our technology strategy are:

1) Maximise internal efficiency by developing new consultant tools, and partner with best-in-class software;
2) Test new client and candidate engagement channels;
3) Invest selectively in best-in-class HR Tech software;
4) Investigate new tech-enabled delivery models.

This approach is summarised in three broad prisms: **Approachability, Connectivity** and **Efficiency**.
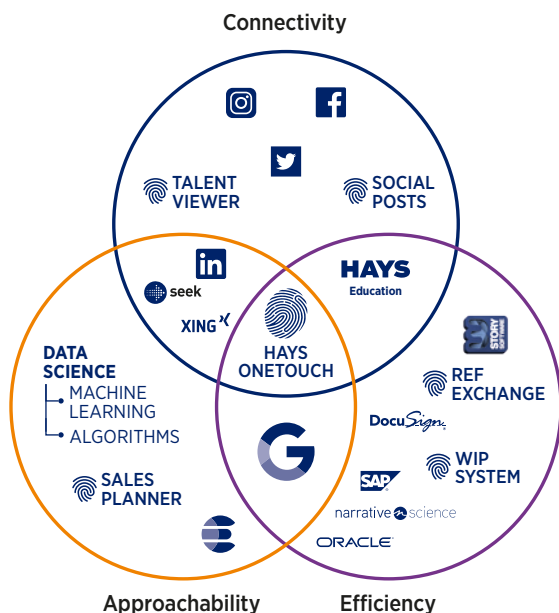
Efficiency remains our overriding goal. We estimate that 1% gained via productivity is worth c.£8m to Hays' operating profit, and productivity drove c.40% of Group profit growth between 2013-18. We have sector-leading technology, both via internally developed tools and collaborations with leading third parties. Our expert Hays Innovation team is tasked with assessing the technology landscape, identifying new trends, opportunities and threats and building relationships with key players.

In FY18, we made excellent progress, notably with the roll-out of our 'SalesPlanner'. and 'WiP' tools, further development of the Hays Hub, and our collaborations with Google, Mya and Stack Overflow.

Connectivity relates to the many and evolving ways clients and candidates interact with Hays. Central to our philosophy is recognising and quickly responding to these trends, allowing us to cultivate, deepen and enrich our candidate talent pools. Increasingly, technology enables us to anticipate clients' demands before they arise.

We received 10.6m job applications in FY18. To avoid diseconomies of scale, our consultants need to be equipped with the best technological tools to search this complex and ever-increasing bank of data.

Sifting through huge quantities of candidate data is relatively simple. The harder part is accurately predicting **Approachability**, identifying which candidates are likely to respond positively to our direct approach.

This alignment of Hays' deep IT and data capabilities – the 'science' of recruitment, with our consultants' deep industry expertise, or the 'art' of recruitment – will be a key competitive edge in the future. This forms the basis of our '**Find & Engage**' model.

'Find & Engage' takes our ability to engage with Active and Passive talent pools, enabling us to deliver what was once viewed as high-end 'head hunting', to many more white collar candidates, at scale. Our aim is to extrapolate meaningful data patterns, feeding directly into Hays' unique '**Approachability Index**', summarised opposite. This index is currently fully functional for just over half our businesses, and due to be completely available across the Group by early 2019.

Our system uses many inputs and algorithms to gauge how open to an approach a potential candidate is likely to be. By understanding approachability signals, our ability to convert ostensibly passive candidates into active is significantly increased. Once overlaid with a trusted Hays consultant relationship, we gain a vital competitive edge.

Our content engagement tools are also built to nurture strong candidate relationships by providing highly relevant industry, salary and training insights. Our implementation of Salesforce Marketing Cloud further enhances this engagement capability. We continue to generate significant value from our partnerships with Google, LinkedIn, SEEK and Xing. These allow us to analyse complex user data in real time, gaining invaluable insight into candidates' skills and career ambitions.
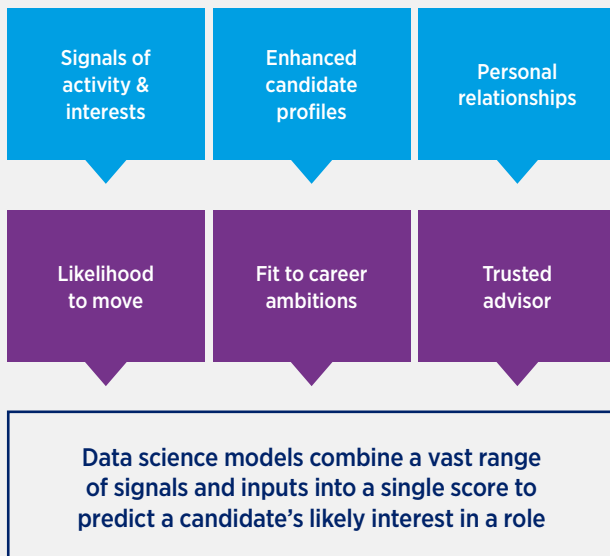
Hays FY18 website hits

65m

FY18 Job applications

10.6m

The Hays Approachability Index: Predicting candidates' likely interest in a role

Signals of activity & interests	Enhanced candidate profiles	Personal relationships
Likelihood to move	Fit to career ambitions	Trusted advisor

Data science models combine a vast range of signals and inputs into a single score to predict a candidate's likely interest in a role

Technology and a candidate's path

Our technology helps us to power the world of work, and find the best candidates for a role, faster than our competition. The chart below represents the process of interaction between our active candidate pool, passive candidates and our client base, as we seek to find 'great-rather-than-good' matches between the two.

Candidates are added to the Hays database via our expert consultant network, and via external sources like Xing, LinkedIn, a wide array of job boards, or directly via the Hays website. Once in our ecosystem, we work hard to ensure the talent pool remains highly engaged, using content such as Hays' Salary Guide and Journals, training and career advice plus our regular blogs and podcasts.

The Hays Approachability Index gives us the proprietary ability to access candidates who may otherwise appear to be 'passive'. This is a major competitive advantage versus peers, and also a compelling reason for clients to outsource to Hays.