

# The State of Recruiting 2025

We surveyed nearly 250 HR & TA professionals to get insights on their hiring processes in 2025. Here's what they shared.



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# Foreword

Hiring has always been high stakes.

The right talent can propel a company forward, while the wrong hiring decisions, or worse, the inability to hire fast enough, can stall even the best businesses.

Over the last decade, I've seen firsthand how recruiting has lagged behind other functions in terms of technological innovation.

While sales and marketing teams embraced automation, AI, and data-driven decision-making, recruiting remained stuck in the past. Hiring teams still rely on spreadsheets, manual outreach, and gut instinct.

## **Now, the pressure to evolve is no longer optional.**

- ▲ Teams are losing top candidates to competitors.
- ▲ Delayed hiring cycles are racking up costs and slowing down business goals.
- ▲ Biases are still rampant in the hiring process.
- ▲ Recruiter burnout is on the rise.
- ▲ Candidate experience is often disjointed and frustrating.

AI is adding both urgency and opportunity to this mix. The rise of generative tools, automation, and data intelligence is forcing recruiting teams to rethink how they operate – and fast!

At Kula, we talk to recruiters, hiring managers, and talent leaders every day. And we hear the same concerns over and over:

- How do we attract the right talent in a hyper-competitive market?
- How do we scale hiring without burning out our teams?
- And how do we use AI responsibly without sacrificing control, context, or fairness?

That's exactly why we created the 2025 State of Recruiting report. The objective is to give you a clear, data-backed look at the industry's current state and future direction.

We surveyed nearly 250 talent professionals across industries to uncover the challenges they face, the trends they're betting on, and how AI is reshaping the future of recruiting.

I invite you to explore this report not just as a set of statistics but as a roadmap for the future of hiring.

Whether you're a talent leader, a recruiter, or a business executive shaping hiring strategies, these insights will help you make smarter decisions in 2025 and beyond!



**Achu Ravi,**  
Co-Founder & CEO, Kula



# Editor's note

The number of surveyed participants represents just a small segment of the recruiting and hiring industry.

However, this sample provides valuable insights into the current state of talent acquisition, emerging trends, and the challenges shaping the future of hiring.

In February 2025, [Kula](#) surveyed close to 250 recruiters from across North America, Europe, Asia-Pacific, the Middle East, and beyond to gather these insights.

While the findings reflect broader industry sentiments, they should be interpreted as **directional insights** rather than absolute conclusions.



# Executive summary

The 2025 State of Recruiting Report cuts through the noise to reveal what's driving, breaking, and redefining talent acquisition today. As AI reshapes hiring, recruiting leaders are caught between high-pressure demands and a rapidly evolving tech landscape.

# What's standing out

- **Quality of hire is king:** 62% rank QoH as their most critical KPI, but defining it remains elusive.
- **Rising pressure:** Nearly half of recruiters feel the heat to hire faster without compromising quality.
- **Tech stacks are failing:** Satisfaction is stuck at 5/10. Lack of automation, poor integration, and shallow analytics are major pain points.
- **AI adoption is lagging:** The average maturity level is just 4/10. Accuracy, fairness, and compliance are the biggest concerns.
- **Employer branding is a priority:** 30% of leaders are investing heavily here, knowing it's a make-or-break factor in a competitive talent market.
- **Budgets are uncertain:** 26% are still unclear about future funding, while only 18% expect budget increases.
- **Bias and compliance are real threats:** AI adoption is tangled with concerns about fairness, transparency, and ethics.

# The road ahead

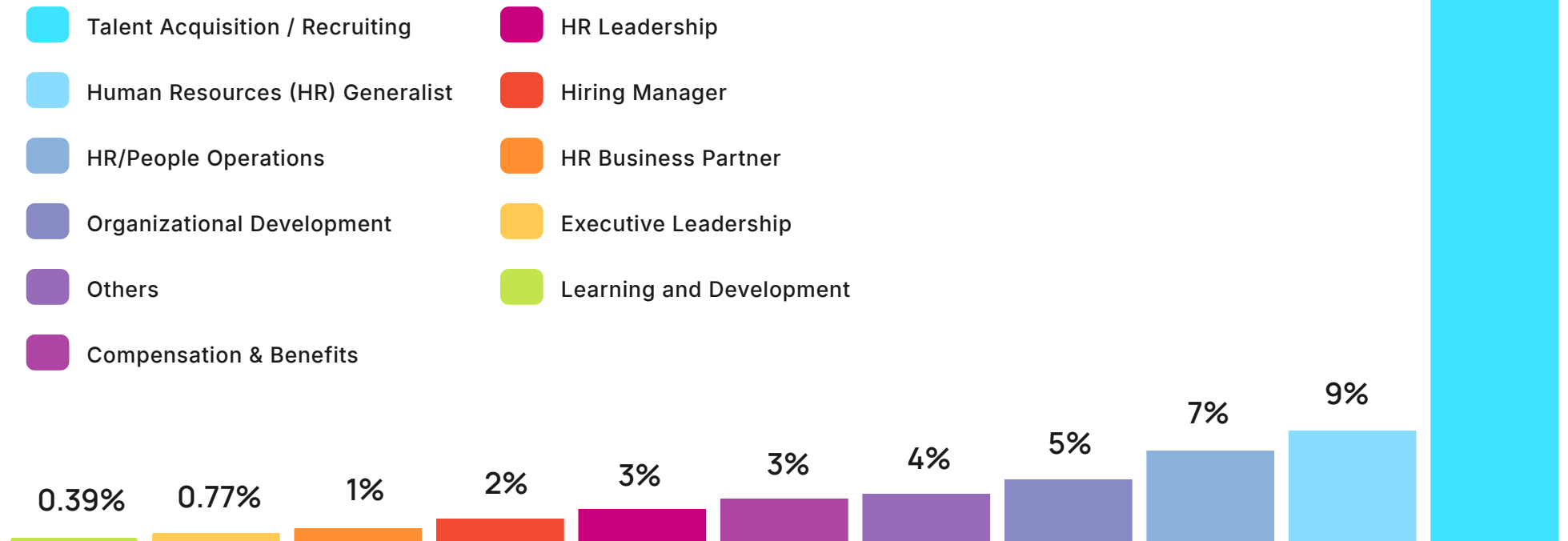
- **AI is here to stay:** Automation is moving from a "nice-to-have" to a "must-have" as recruiters try to do more with less.
- **Recruiters are shifting gears:** Expect a pivot from execution to strategy as AI takes on repetitive tasks.
- **Better data, better decisions:** Investments in analytics and reporting tools are on the rise, with 34% of teams prioritizing this area.
- **Unified systems over patchwork:** Fragmented tech stacks are losing their appeal. Leaders want everything– sourcing, screening, reporting– in one place.

# Introduction

## Who took part in the survey?

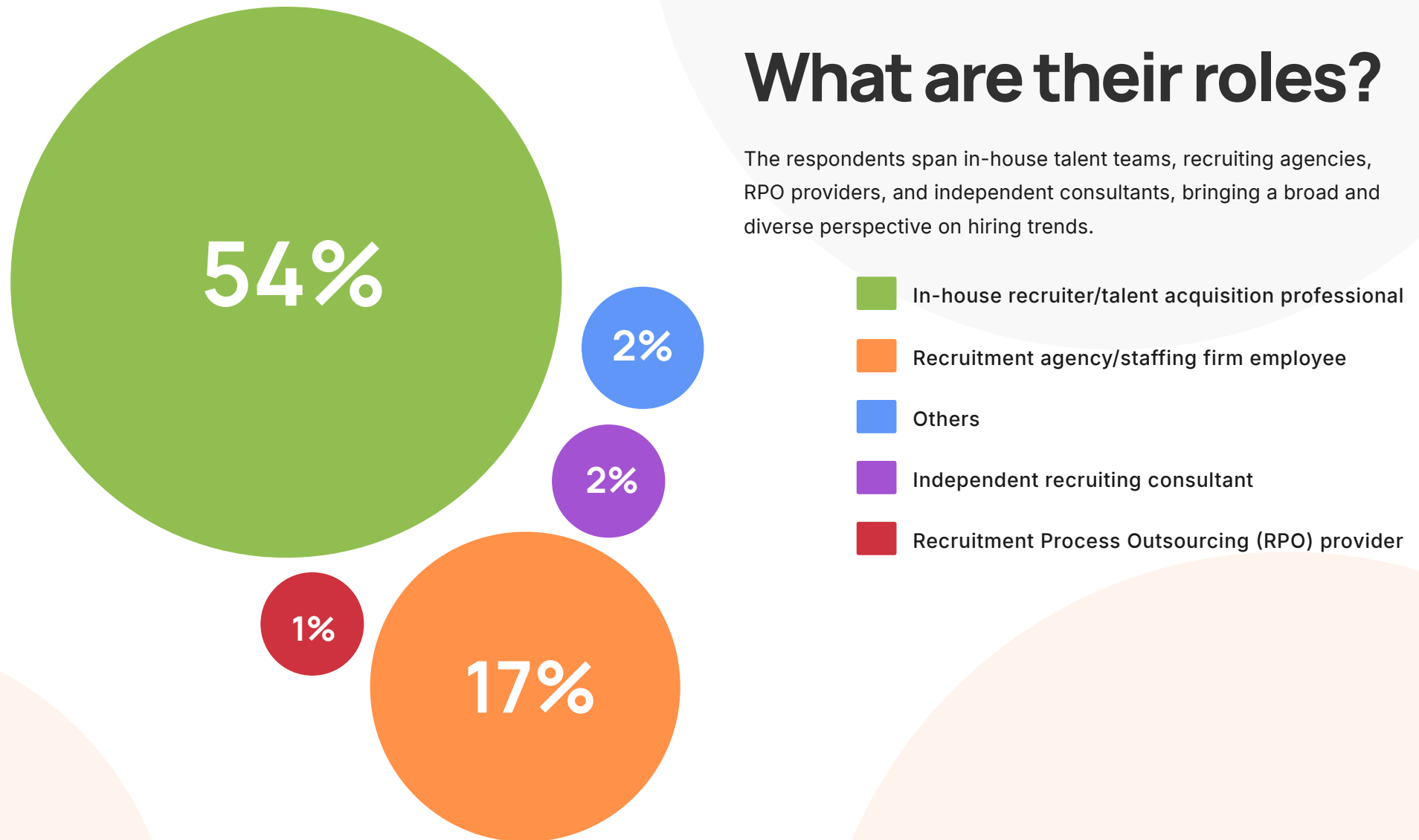
Our 2025 State of Recruiting report is based on insights from close to 250 talent professionals across industries, geographies, and company sizes.

## Who are they?



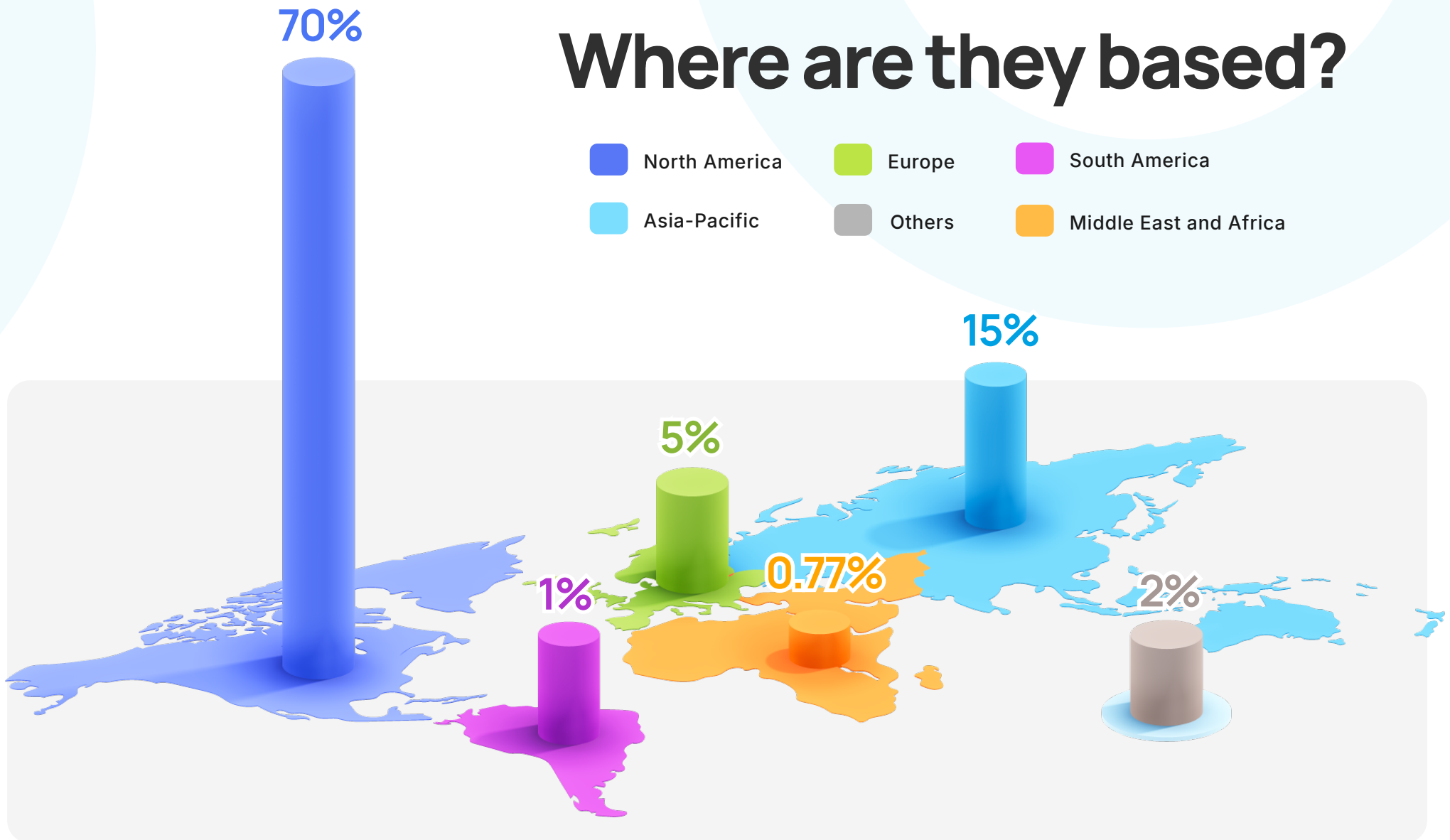
## What are their roles?

The respondents span in-house talent teams, recruiting agencies, RPO providers, and independent consultants, bringing a broad and diverse perspective on hiring trends.





# Where are they based?

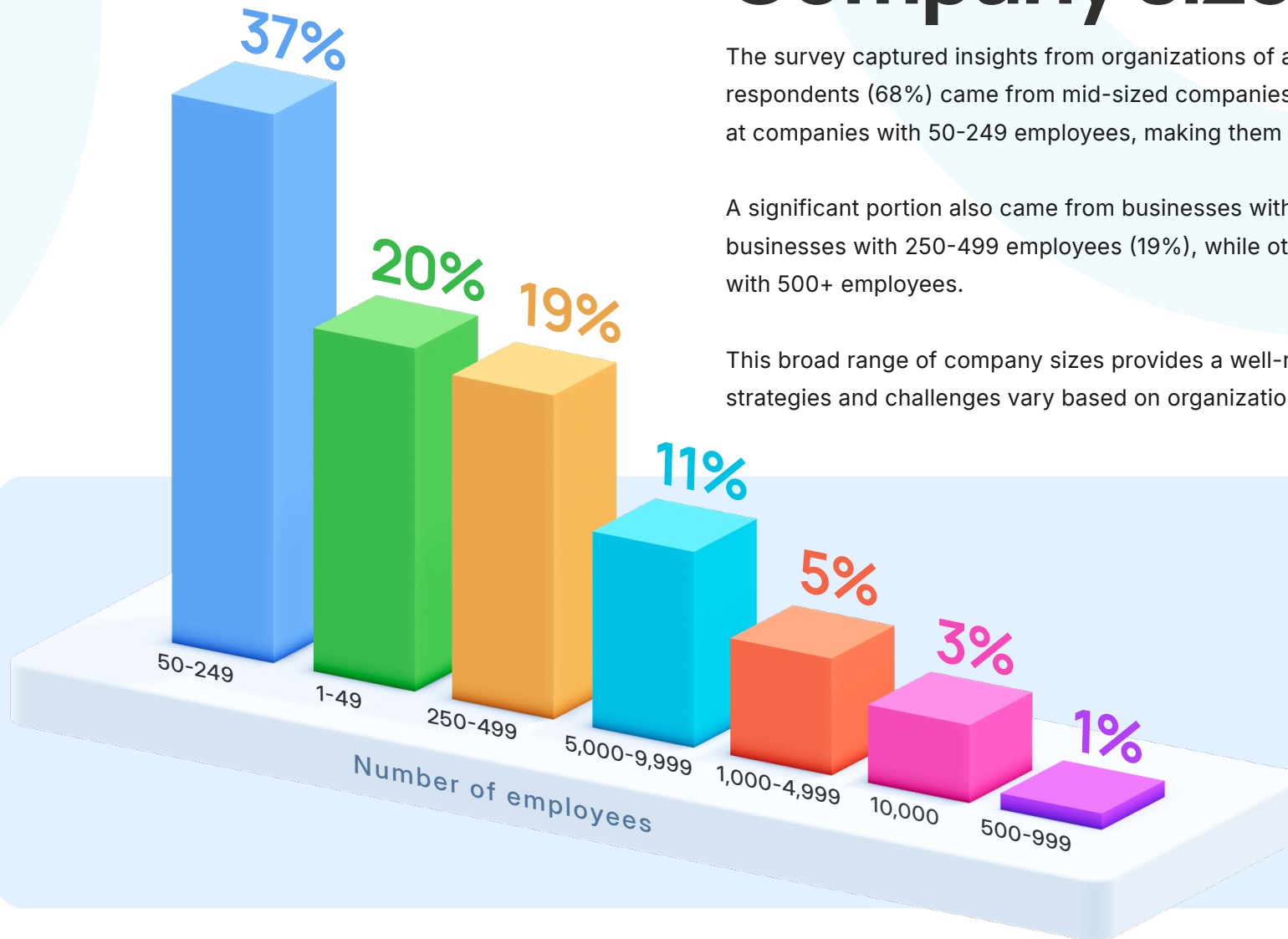


# Company sizes

The survey captured insights from organizations of all sizes, but the majority of respondents (68%) came from mid-sized companies. Over a third of participants work at companies with 50-249 employees, making them the most represented group.

A significant portion also came from businesses with 1-49 employees (20%), and businesses with 250-499 employees (19%), while others worked at larger companies with 500+ employees.

This broad range of company sizes provides a well-rounded view of how recruiting strategies and challenges vary based on organizational scale.



# Industry representation

The majority of survey respondents work in the technology sector, including software, hardware, and IT services (44%), making it the most dominant industry in the dataset.

However, the survey also captured insights from professionals across professional services, healthcare, finance, manufacturing, retail, education, government, and more.

A small but notable segment of respondents came from nonprofit organizations, hospitality, media, and logistics, showcasing diverse recruiting challenges and hiring priorities across industries.

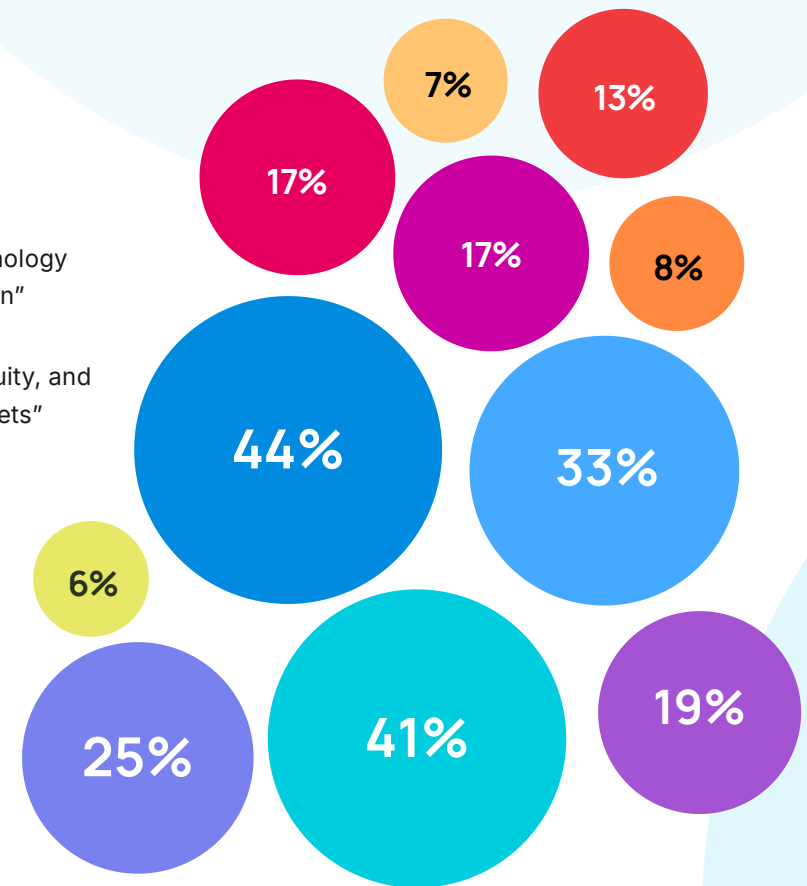


44%	Software, Hardware and IT
12%	Others
8%	Healthcare and Pharmaceuticals
7%	Professional Services (Consulting, Legal, Accounting, etc.)
5%	Manufacturing and Engineering
3%	Retail and E-commerce
3%	Nonprofit and NGOs
2%	Education and Research
2%	Government and Public Sector
2%	Transportation and Logistics
1%	Finance and Banking
1%	Hospitality and Tourism
1%	Media and Entertainment
1%	Telecommunications

The  
**ROADBLOCKS**  
facing today's recruiting leaders



# What organizational trends are most influencing your recruiting challenges in 2025?



# What are the primary recruiting challenges your organization faces?



# If there's one word to describe the hiring outlook for 2025, it's **pressure**.

Hiring teams are racing against time, budget constraints, and shifting candidate expectations.



Nearly **45% of recruiters** feel mounting pressure to fill roles faster while maintaining candidate quality.

## But that's easier said than done.

- The talent market remains unpredictable. While 59% of recruiters struggle with candidate shortages, many are also drowning in a sea of applications, most of which don't meet job requirements.
- AI-driven bulk applications, resume spam, and unqualified candidates make the screening process more complex and time-consuming.
- Compensation is another battleground. 45% of respondents cited salary misalignment as a significant challenge. Candidates are demanding more, budgets are tightening, and recruiters are caught in the middle, trying to craft packages that attract top talent without breaking the bank.
- Meanwhile, 36% of recruiters say the competition for top talent is at an all-time high. Candidates are fielding multiple offers, counter offers are becoming the norm, and securing a great hire often means engaging in a bidding war.
- Hybrid and remote work are further complicating hiring strategies. 41% of recruiters report that location-based complexities are making it harder to attract and retain talent. With more companies embracing flexible work, traditional hiring models are being forced to evolve.

And then there are the AI-era hiring challenges that weren't even on the radar a few years ago. Some recruiters are now dealing with **AI catfishing**— candidates using AI to generate fake applications, ace automated screening, and even get real-time interview support.



- Others cite the challenge of filtering through AI-generated applications at scale, making it harder than ever to distinguish real talent from algorithmically optimized profiles.
- In addition, 34% of recruiters cite economic conditions as a direct factor impacting hiring volumes. Whether it's hiring freezes, budget cuts, or market demand shifts, recruiting teams face external challenges beyond talent availability.

But it's not all doom and gloom.



AI-driven hiring platforms and automation could solve some of these bottlenecks, provided companies are willing to invest.

The biggest question for 2025 is whether recruiting teams will be given the resources they need to adapt or if they'll continue to be held back by outdated systems, inefficient processes, and competing priorities.

The industry is at an inflection point. 2025 could either be a year of transformation or another year of playing catch-up.

Also read:

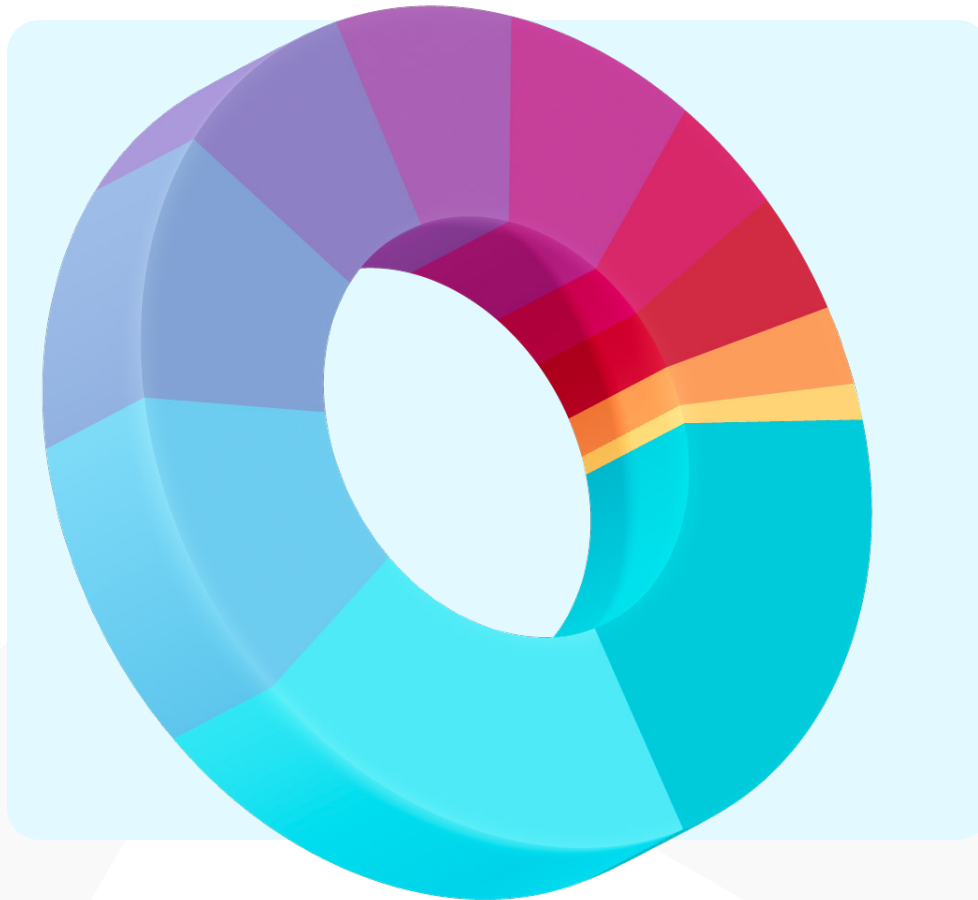
[The white-collar work shift: How recruiters can adapt and succeed](#)



# Trends shaping recruiting in 2025



# What are your organization's primary recruiting goals for 2025?



- 52% Enhancing quality of hire
- 48% Reducing time-to-hire
- 29% Strengthening employer branding
- 27% Improving employee retention
- 22% Increasing candidate engagement
- 20% Implementing new recruiting technologies
- 20% Reducing cost-per-hire
- 11% Expanding global talent acquisition
- 11% Upskilling the recruiting team
- 7% Improving DEI initiatives
- 3% Other

# Quality of hire

has overtaken speed as the number one priority, with 53% of respondents ranking it as their top goal. The message is clear— filling roles fast isn't enough. Companies are under pressure to make better hires, not just quicker ones.

That's not to say efficiency isn't a concern.

49% of respondents still want to [reduce time-to-hire](#), but it's taking a backseat to making sure the right talent comes through the door.

With AI-driven bulk applications and a surge in unqualified candidates, screening is becoming more complex, forcing teams to refine their approach.

Beyond hiring faster and better, 30% of recruiting teams are doubling down on employer branding to attract the right talent.

Meanwhile, 27% are prioritizing employee retention, recognizing that keeping top talent is just as critical as acquiring it.

At the same time, some respondents are pushing for more proactive talent strategies. Recruiters want to build active pipelines for common roles, hire in new states, and improve the quality of candidate engagement by reducing interview-to-placement ratios.



Technology investment is also top of mind.

While 20% of leaders are focused on implementing new recruiting technologies, 21% are prioritizing tools aimed at increasing candidate engagement. This signals a growing reliance on automation and AI-driven solutions— such as chatbots, personalized outreach, and predictive analytics to enhance candidate experiences and streamline the hiring process.

"Having the right people in the right jobs is necessary for anything else to move forward. But like in business, time kills all deals. Great candidates are not going to wait around for long, unorganized interview processes.

What we're seeing in 2025 is that the most successful organizations are implementing structured hiring processes with clear decision criteria established before the search begins. This front-loaded preparation work dramatically reduces time-to-hire without sacrificing quality because everyone involved knows exactly what success looks like.

The companies that are excelling in "speed to hire" are the ones using AI to screen through initial applications, schedule interviews, and help drive the interview process with reminders to deliver feedback, have AI perfectly transcribe their interviews, and handle next interview scheduling. Candidates and most hiring managers don't want AI making decisions for them, but the companies that are using AI tools to maintain their interview process management are the ones who will have access to the best talent.

And of course, none of this is possible without hiring managers having some basic training. Eventually, human hiring managers and human candidates will be talking throughout the process, and having those hiring managers trained to maximize time with candidates and ask great questions will be the differentiator. Expert Interviewers exist to train hiring managers because there will always be a human element. Candidates want that connection and want to feel well evaluated - we give hiring managers the tools they need to evaluate confidently and accurately.

The organizations winning the best talent in 2025 are those that have recognized hiring is both art and science— they're leveraging technology to handle repetitive processes while investing in developing their managers' human skills like building rapport, recognizing potential, and spotting alignment with company goals."



**Lorna Erickson**

Hiring Manager Coach, Co-Founder - Expert Interviewers

# What's your boldest prediction for recruiting in 2025?



From [AI-powered sourcing](#) agents to automated hiring workflows, recruiters are preparing for a future where machines do the heavy lifting and humans take on more strategic roles.

We asked in our survey to state some of the **boldest predictions for recruiting** this year.

- ✦ 50-75% of recruiter tasks could be automated. AI-driven sourcing, interview scheduling, and assessments will become the norm, forcing recruiters to evolve into talent advisors, focusing on relationship-building, employer branding, and candidate experience.
- ✦ With AI's rise comes new risks. Bulk AI-generated applications, fake resumes, and AI-assisted interview answers are already making it harder to separate top talent from noise. Some fear AI will overwhelm hiring teams with low-quality applicants, while others predict AI-driven "talent drafting," where companies proactively bid on candidates before they even start looking...
- ✦ AI recruiting agents are stepping in, reshaping how talent is sourced, engaged, and assessed. These autonomous AI-driven systems are evolving beyond simple automation. Instead of just screening resumes, they are acting as proactive talent scouts, matching candidates to roles before they even apply.

- ✦ Beyond AI, economic uncertainty and hiring slowdowns loom. Some foresee mass tech layoffs continuing, leading to a surplus of talent with inflated salary expectations. Others predict companies tightening budgets and reducing recruiter headcount — only to struggle when hiring ramps up again.
- ✦ The war for talent isn't slowing down, either. As some companies enforce return-to-office policies, more candidates will push back, choosing flexible work over location-based roles. Meanwhile, offshoring is accelerating, with backfills and new roles moving to more cost-efficient markets.
- ✦ Even how candidates are evaluated may be changing. Some predict Q&A interviews will be replaced by real-world scenario testing, forcing candidates to prove adaptability on the spot.
- ✦ Others think sourcing roles could disappear altogether as AI takes over resume parsing, outreach, and first-stage screening.

**The only certainty in 2025, though?**

**AI isn't on the sidelines assisting recruiters anymore; it's actively driving how talent is sourced, engaged, and hired.**

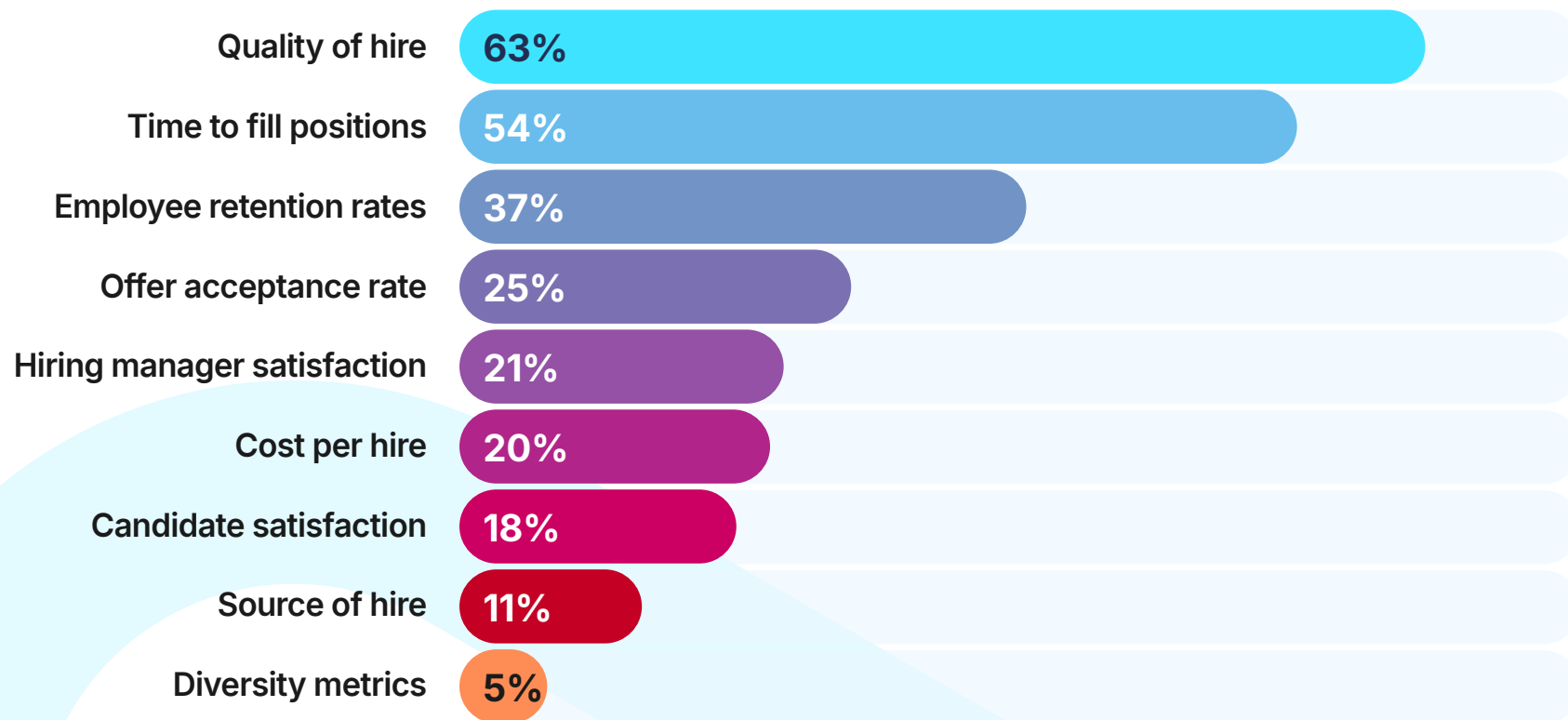
Hiring metrics that matter today

# What defines a **successful** **recruiting** function in 2025?



# Which KPIs will be most critical to your recruiting function in 2025?

It's no longer just about speed or cost. Quality of hire (QoH) is the undisputed top priority, with 63% of recruiters ranking it as their most critical KPI.





**But here's the catch: Quality of Hire (QoH) remains one of the hardest metrics to quantify.**

Unlike time-to-fill or cost-per-hire, which are tangible and easy to measure, QoH is a black box.



“In 2025, hiring will be a UFC match between speed and quality. Most teams chase speed like it’s TikTok clout. We should be hiring for performance, not pedigree. That means slowing down to ask better questions, define outcomes, and assess potential over resume buzzwords. I believe that tech helps, yet while AI can filter, judgment still matters. Strategy? Stop hiring sprinters for marathons.”



**Brian Fink**

Talent Acquisition Partner, McAfee

Does a successful hire mean someone who stays in the role for a year? Someone who exceeds performance expectations? Someone who grows into leadership?

Everyone wants to measure quality, but defining it remains a challenge.

The most reliable way to define and measure quality of hire is to align it with business impact, team integration, and long-term potential.

### **Quality of hire = Business impact + cultural fit + future potential**

Beyond retention and reviews, the most reliable indicators are:

- **Ramp time:** How quickly did they start delivering value?
- **Business impact:** Did they move the needle on key goals in 6–12 months?
- **Team feedback:** Are they raising the bar, not just filling a seat?
- **Growth signals:** Are they leaning in by taking on projects, upskilling, or advancing?

Treat it as a composite score to align on what success actually looks like.



**Jamy Conrad**

VP of People & HR, TrustRadius

# So, how do talent leaders solve this?

By moving beyond surface-level metrics and creating a more holistic measurement framework.

1. Performance-based QoH: Instead of just looking at retention, recruiters can track performance reviews, manager satisfaction scores, and goal attainment within the first year. If a new hire consistently outperforms their peers, that's a strong QoH signal.
2. Retention with a purpose: Not all retention is good retention. It's not just about how long an employee stays but whether they thrive in the role and contribute meaningfully. Retention data combined with engagement and productivity scores paint a clearer picture.
3. Hiring manager & team satisfaction: If hiring managers and teams consistently report high satisfaction with new hires, it's a strong indicator that the recruiting process is bringing in the right talent.
4. Ramp time efficiency: How quickly a new hire gets up to speed and delivers impact is another key QoH signal. Shorter ramp times with strong early performance mean a more effective hiring process.
5. Data-driven hiring decisions: Companies investing in AI-driven predictive analytics and structured hiring processes are seeing improved QoH. The more data recruiters leverage— skills assessments, structured interviews, behavioral analytics— the better they can predict candidate success.

"Hiring isn't speed dating. Rather, it's succession planning. In the first year, forget fluff like "culture fit" and look for performance signals that matter: delivering on KPIs, showing grit in ambiguity, and raising the bar for the team. Don't just track what they do; watch how they grow. Are they stretching roles, attracting talent, and earning trust? That's your future leader, not just a high-performer. Balance the now with the next"



**Brian Fink**

Talent Acquisition Partner, McAfee

# Yet, recruiters aren't abandoning the classics.

Time-to-fill (54%) and employee retention rates (37%) remain top KPIs, signaling that speed and long-term success still go hand in hand. Hiring fast doesn't mean much if candidates don't stay. Retention rates are now being scrutinized more than ever to gauge whether hiring strategies are working.

Candidate experience is also coming into sharper focus. Metrics like offer acceptance rates and hiring manager satisfaction are gaining traction, reflecting a shift toward a more holistic approach to recruiting.

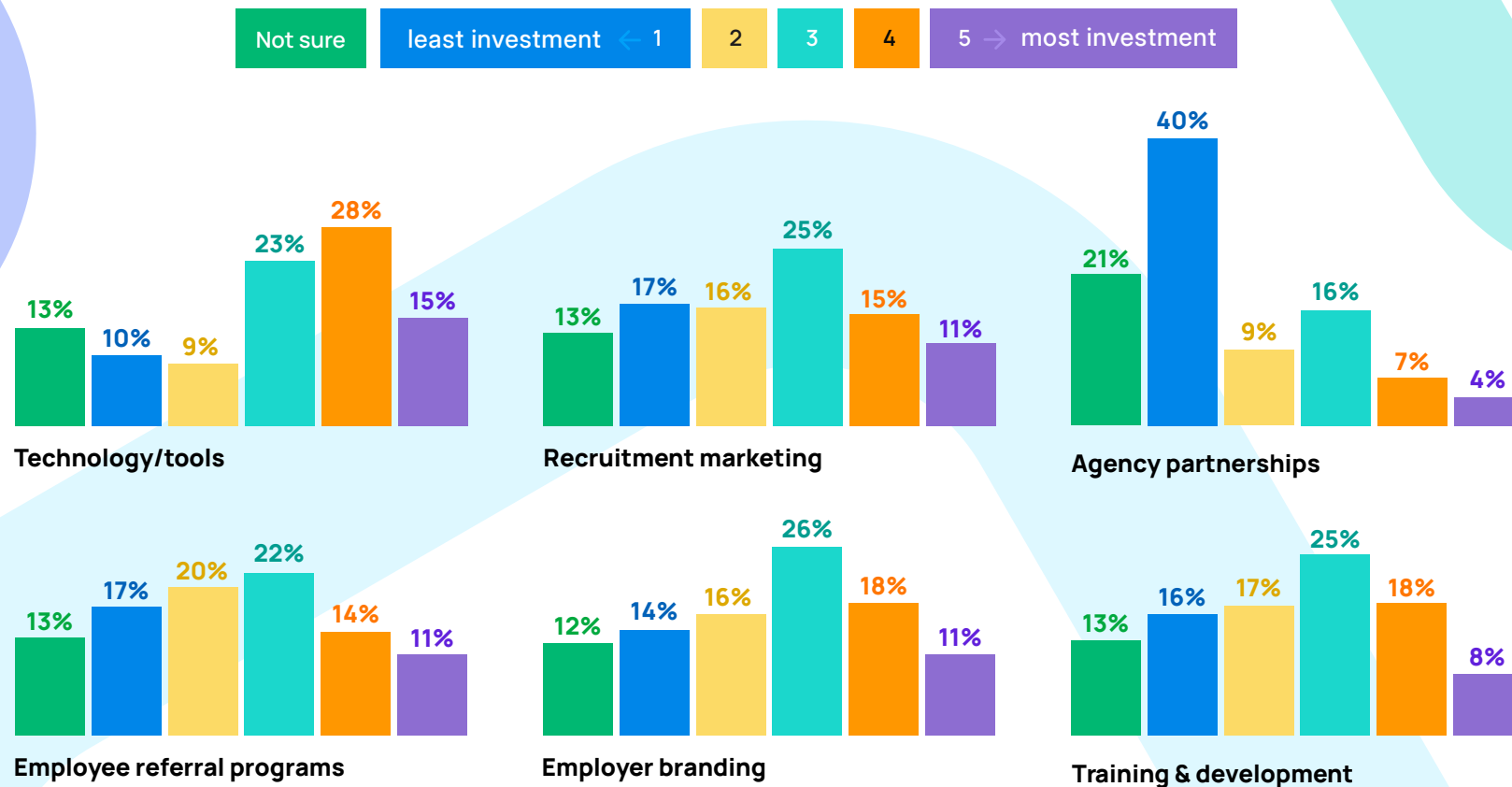
Companies are realizing that hiring doesn't stop at the offer letter. It's about ensuring a seamless process from first touch to onboarding.

Recruiting investment trends

# Where hiring leaders are placing their bets in 2025



# How do you plan to distribute your recruiting budget in 2025?



## Trend #1

# Doing more with less – The drive for efficient tech investments

Investment in technology and tools is one of the top priorities for recruiting leaders, with over 42% allocating significant investment (ratings 4 & 5) to this category.

As hiring complexity grows, AI-driven tools are becoming essential for sourcing, screening, and decision-making. Yet, 13% remain unsure about where to direct their tech budgets, signaling a lack of clarity on which platforms will truly deliver ROI.

Meanwhile, 62% of talent leaders say they are prioritizing technology and AI proficiency for their teams, making it clear that recruiters are gearing up for an AI-powered future.

The ones who fail to adopt AI into their processes will find themselves at a disadvantage, not just in hiring speed but also in their ability to make data-driven decisions.

At DeepScribe, AI-driven automation helped reduce hiring costs by 30% while making faster, higher-quality hires. Kula powered this transformation, streamlining sourcing and engagement while ensuring cost-effective, high-quality hiring at scale. For teams looking to balance efficiency with real, measurable impact, the right tech stack makes all the difference.

[Read the full story.](#)

"I chose Kula because I like to be on the cutting edge and the exciting side of the products and tools I use. DeepScribe uses AI for doctors, and I've seen how efficient it can be for them. I want to be at the forefront of AI in recruiting."



**Samantha Stambaugh**

Head of Talent, DeepScribe

## Trend #2

# Employer branding & candidate engagement are business priorities.

With a fiercely competitive talent market, 30% of respondents are heavily investing in employer branding, making it one of the top-funded initiatives.

But why?

[Recruitment marketing](#) is becoming a priority, with 25% of recruiters giving it a mid-level investment rating and 11% allocating substantial funds. This signals a clear shift: companies are thinking like marketers when it comes to hiring, understanding that great talent needs to be nurtured, not just sourced.

With 21% also focusing on increasing [candidate engagement](#), it's evident that talent leaders know the battle isn't just about getting candidates through the door, it's about making them stay.



The hiring game isn't just about filling roles anymore. It's about attracting and retaining top talent in a world where candidates have more options than ever.



### Trend #3

# TA budgets are in flux. Some are growing, others are tightening their belts.

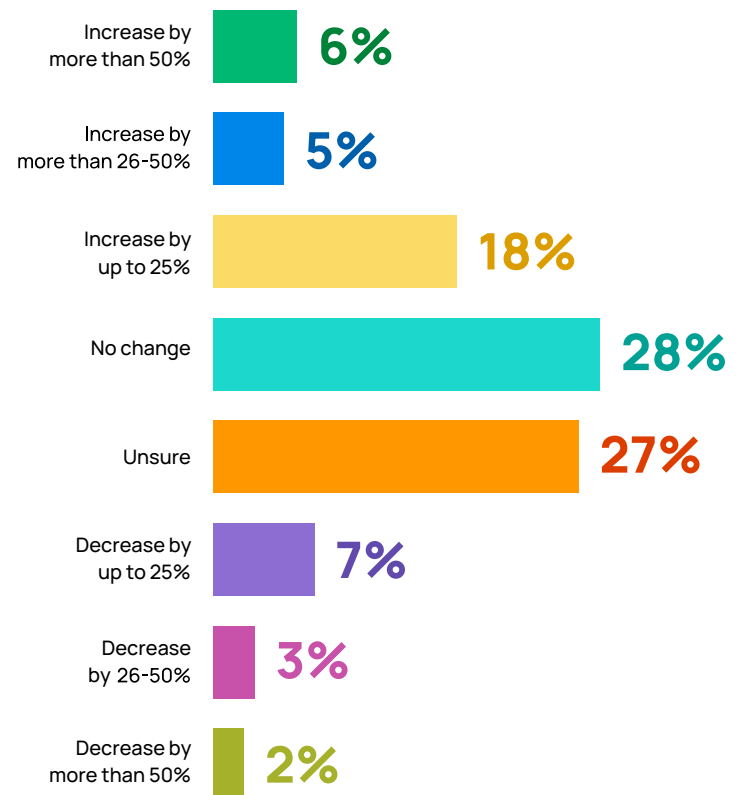
Budget uncertainty is the name of the game in 2025.

While 18% of organizations expect to increase their recruiting budgets by up to 25%, nearly 28% say their budgets will remain unchanged from 2024.

However, a significant portion (27%) aren't sure where their budgets are heading.

While agency partnerships appear to be a lower priority for many teams this year, with 41% indicating limited investment (ratings 1 & 2), this doesn't mean agencies are being left behind. Instead, companies are increasingly focusing on strengthening their in-house capabilities, balancing external support with internal efficiencies. Agencies continue to play a vital role where specialized expertise or scalability is needed.

## How do you expect your recruiting budget to change in 2025 vs. 2024?



## Trend #4

# TA teams are leveling up to do more with less.

60% of respondents are prioritizing advanced recruiting techniques, and 52% are focusing on data analytics and reporting.

In a world where AI is reshaping hiring, recruiters know they need to upskill to stay competitive.

Technology and AI proficiency top the list of team development priorities, with 61% of respondents investing in it. Leadership and management skills (32%) and compliance knowledge (18%) are also in focus, reflecting the broader need for recruiting teams to become more strategic.

2025's recruiting investment trends show a clear shift towards AI-driven efficiency, stronger employer branding, and internal talent development.

While some companies are increasing budgets, many are focusing on maximizing impact with the resources they already have.

### Which areas are prioritized for recruiting team development in 2025?



# AI in recruiting trends





# Hype vs. Reality

AI is no longer a futuristic concept in recruiting. It's here, but **adoption is uneven.**

Some teams are leveraging AI for automation and efficiency, while others remain hesitant, questioning its reliability, fairness, and long-term impact. The data reveals a clear gap between AI's potential and its current state in recruiting.

Let's break down the numbers.

# 1: AI adoption is accelerating, but most teams are still testing the waters



While AI adoption is on the rise, the maturity level remains low. On a scale of 1-10, the average recruiter rates their organization's AI adoption at just 4/10.

## Top AI use cases:

- **Resume screening & candidate sourcing (33%)** – The most common application, but still far from widespread adoption.
- **Candidate engagement automation (23%)** – Tools like chatbots and automated follow-ups are gaining traction.
- **Interview scheduling (20%)** – AI-powered tools are streamlining scheduling, but adoption remains low.

However, full-scale adoption is nowhere near complete. Many teams are still in an experimentation phase, testing AI's impact rather than fully integrating it into their hiring strategy.

## What this means for talent leaders: AI is

supplementing, not replacing, recruiters. The biggest efficiency gains are happening in high-volume, repetitive tasks— filtering resumes, sourcing passive candidates, and handling initial candidate interactions.

"Teams often get distracted by shiny new tools, mistakenly believing they need to use them all to stay relevant. But the best recruiting teams know these tools don't replace humans—they enhance efficiency, primarily at the front end and operational stages like sourcing, scheduling, and documentation.

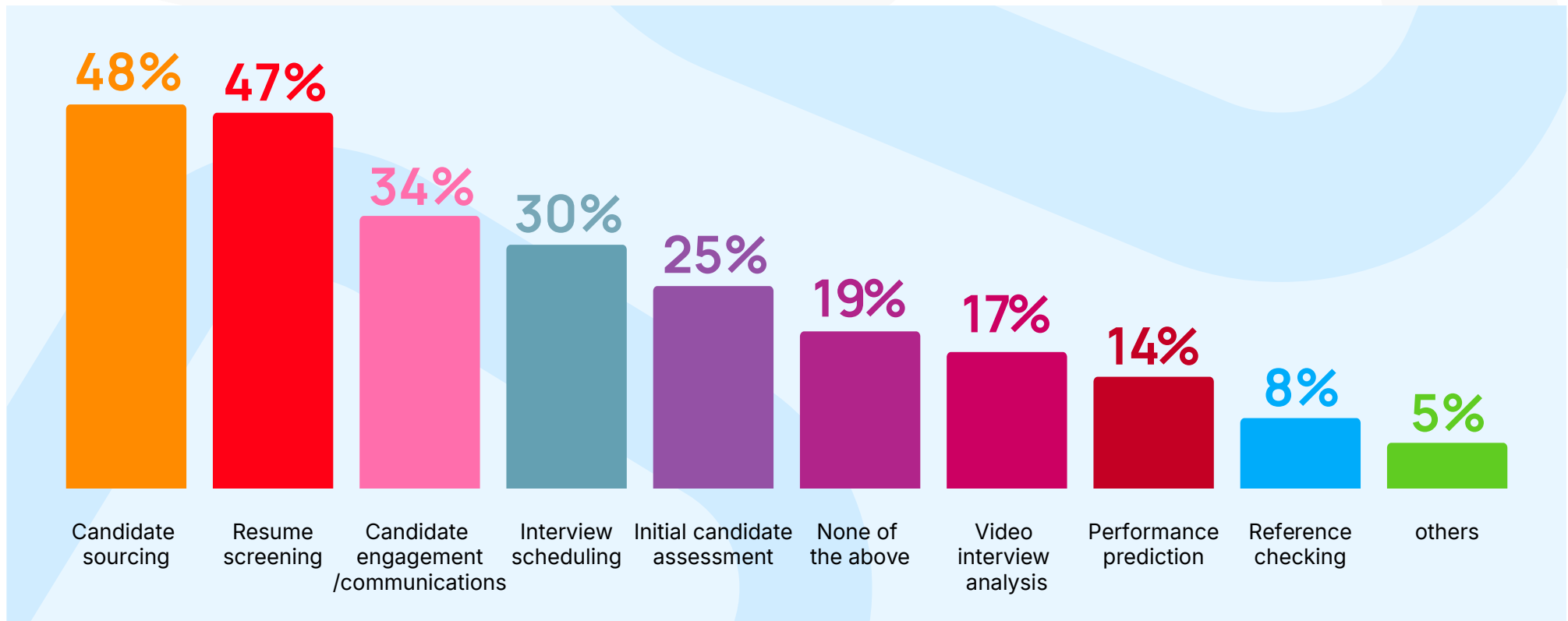
Ultimately, candidates are human. They want real interactions with real people, not AI bots."



**Rachel Kargas**

Managing Director, Reten

## 2: The 2025 AI roadmap: Where recruiters plan to invest next



AI's role in recruiting is expanding beyond screening and sourcing. In 2025, key areas of investment include

- 25% of teams plan to adopt AI for initial candidate assessments, marking a shift toward using AI for deeper evaluations.
- 17% are looking into AI-powered video interview analysis, a sign that companies are experimenting with AI-driven candidate evaluation methods.
- 14% plan to use AI for performance prediction, a move toward leveraging AI for long-term hiring decisions.auditability to ensure compliance.

## 2: The 2025 AI roadmap: Where recruiters plan to invest next



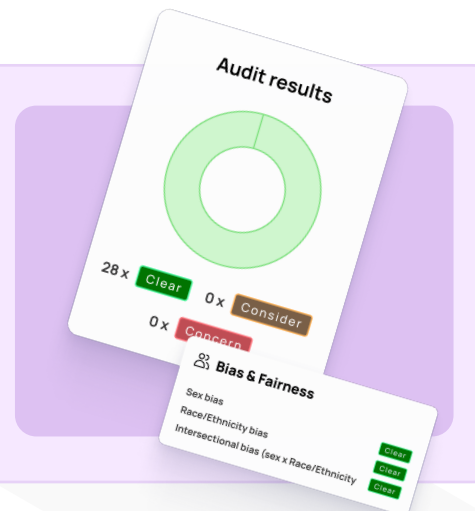
As AI adoption matures, the focus will shift toward higher-stakes decision-making, which includes evaluating candidate fit, predicting performance, and even automating parts of structured interviews.

**Buyer beware** ▲ These areas involve complex ethical, legal, and compliance challenges. Poorly designed AI can reinforce bias, leading to unfair hiring practices and legal scrutiny. NYC's Local Law 144 and other regulations are already holding companies accountable for AI-driven decisions.

That's why responsible AI use is key. Third-party audits, bias testing, and transparency will be non-negotiable in 2025. Teams need AI they can trust—systems that provide explainable and fair hiring outcomes with live auditability to ensure compliance.



For instance, [Kula has partnered with Warden AI](#), an independent third-party AI assurance platform, to test our system periodically using real-world, organic data from Warden AI's dataset to ensure accuracy and relevance.



### The results:

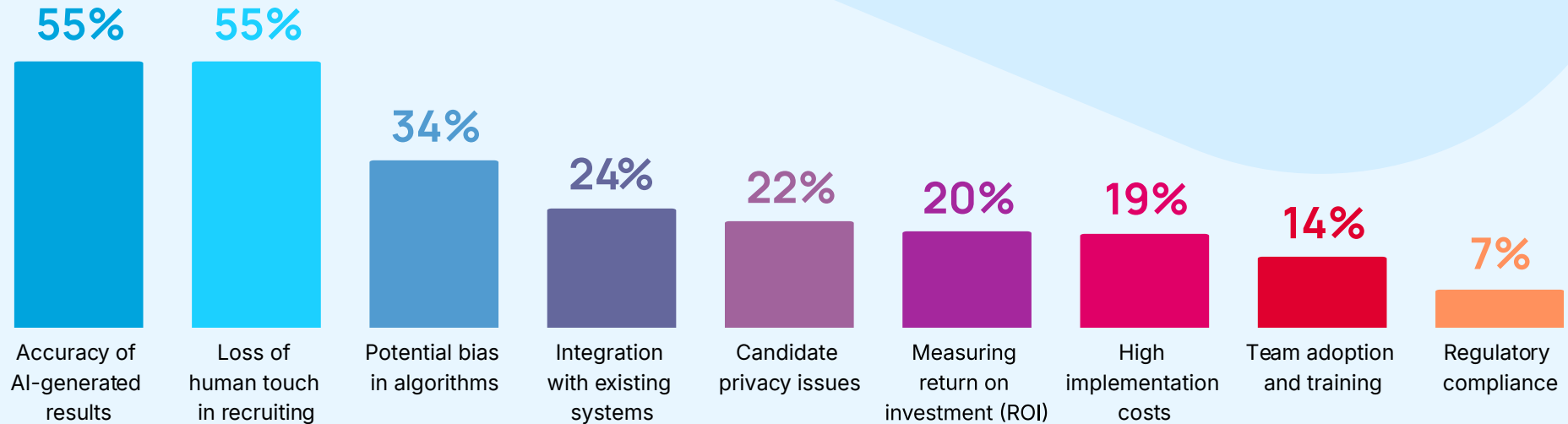
- Kula's AI meets the highest standards of fairness and transparency and is validated through Disparate Impact Analysis and Counterfactual Analysis.
- Full compliance with NYC Local Law 144.
- Live audit results, updated regularly in a public dashboard for full transparency.

[See the live audit results here](#) →  
[Kula's AI assurance dashboard](#)

Also read: [The global guide to AI recruiting regulations](#)

### 3: The AI trust gap: Recruiters are skeptical, and for good reason

AI adoption is about trust. And right now, trust is low.



- 55% of recruiters say AI-generated results aren't accurate enough.
- 55% worry that AI will remove too much of the human touch from recruiting.
- Bias, compliance, and privacy concerns are major roadblocks to AI expansion.

For AI adoption to succeed, recruiting leaders need to demand transparency from vendors— How does the AI make decisions? What data is it trained on? How does it mitigate bias?

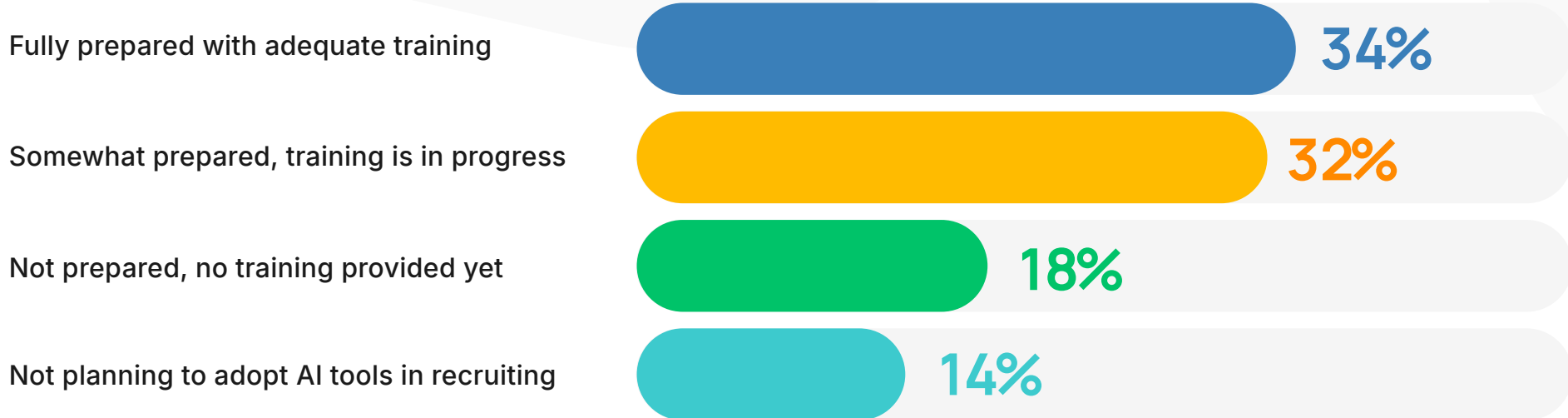


Blindly trusting AI can lead to discriminatory hiring decisions, compliance risks, and damaged employer brands. The companies that get ahead will be the ones that combine AI efficiency with human oversight and accountability.



## 4: AI skills gap: Most recruiting teams aren't ready

The biggest challenge with AI adoption isn't just trust...it's capability.



- Only 34% of recruiters say their team is fully prepared and trained to use AI.
- 32% are somewhat prepared, with training in progress.
- 18% say they're not prepared at all.



AI in recruiting is also a skills shift. Hiring teams need AI literacy training, and leaders need to upskill recruiters in data-driven decision-making. Without proper training, AI adoption will stall, leading to wasted investments and misaligned expectations.

Also read: [How to achieve a successful ATS implementation](#)



# The winners will be those who adapt intelligently

Despite concerns, AI is becoming a non-negotiable competitive advantage.

## **The top AI benefits cited by recruiters:**

- Increased efficiency & time savings.
- More data-driven decision-making.
- Improved quality of hire.

## **The best recruiting teams will be the ones that:**

- Use AI for efficiency gains in high-volume tasks (sourcing, screening, engagement).
- Avoid risky, opaque AI models for high-stakes hiring decisions.
- Invest in training & AI literacy to close the adoption gap.

# The next 5 years of **AI** in recruiting

When we asked talent leaders where they see AI taking the industry in the next five years, the answers reflected a common truth: AI is here to stay, but it won't replace recruiters— it will redefine their role.

Here's what the next 5 years could look like based on the insights shared by our respondents.



# 1. Admin tasks? Gone. Strategic work? Front and center

Across the board, leaders agree → AI is poised to eliminate time-consuming administrative tasks such as sourcing, resume screening, outreach, and scheduling.

***“Manual work of recruiters can be automated using AI”***

***“AI will replace all administrative and manual tasks...recruiters will become more like closers.”***

That shift doesn't mean the role of the recruiter disappears. It means recruiters will move up the value chain, closer to the business, hiring managers, and strategy.

They'll go from being doers to being advisors.

“The most dramatic shift for recruiters over the next five years will be how they co-pilot with AI-driven tools. Right now, many recruiters are using them like they've used filters in the past, not realizing their potential for more.

More subtly, this applies to anyone reviewing or interviewing candidates—hiring managers included. They may not realize how their biases could be reinforcing the data training these models. That's why it's crucial for recruiters to keep reminding everyone of the stories and humanity behind each candidate.”



**Jeremy A. Lyons**

Co-founder, RecOps Collective

"The recruiter will become a reverse psychologist and data shaman. AI will handle the grunt work— the screening, the scheduling, and the initial assessments. The human recruiter? They'll be the ones deciphering the unconscious biases hidden in the algorithms. They'll be the ones who can look at a candidate's digital footprint and divine their true potential, beyond the sanitized resume.

We'll be less concerned with 'skills' and more obsessed with 'cognitive flexibility' and 'existential curiosity'. The recruiter's role will shift from matching keywords to understanding the soul of the candidate, the spark that AI can't replicate. We'll be hiring for the problems we don't even know we have yet. The recruiter will be the oracle, not the gatekeeper."



**Michael Brown**

VP Global Talent Attraction, Snyk

"The most dramatic shift in the recruiter's role over the next 5 years will be a transformation from administrative task-doer to strategic relationship builder. AI will liberate recruiters from 80% of the time currently spent on nitty-gritty work like sourcing, email verification, and initial screening. Instead, recruiters will spend 80% of their time doing what they do best: building deep, meaningful relationships with candidates and hiring managers.

The future recruiter will be less of a transactional coordinator and more of a talent advisor who understands human potential. They'll use AI as a powerful tool to surface top talent, personalize outreach, and establish more targeted and intentional connections. The human touch – understanding a candidate's motivations, assessing cultural fit, and truly connecting – will become the recruiter's most valuable asset.

This shift means recruiters will evolve from being seen as a cost center to becoming strategic partners who truly understand how talent drives business transformation."



**Michael Doran**

CEO, TeamSourced

## 2. More efficient, but also more personal

AI is making hiring feel more tailored if done right.

***"Imagine AI-generated messages tailored to a candidate's career journey, skills, and interests, making cold outreach much warmer."***

**Recruiters expect AI to power personalized candidate experiences:**

- Smart outreach messages
- Context-aware scheduling
- Custom content delivery

"The most dramatic shift for recruiters over the next five years will be how they co-pilot with AI-driven tools. Right now, many recruiters are using them like they've used filters in the past, not realizing their potential for more.

More subtly, this applies to anyone reviewing or interviewing candidates—hiring managers included. They may not realize how their biases could be reinforcing the data training these models. That's why it's crucial for recruiters to keep reminding everyone of the stories and humanity behind each candidate."



**Jamy Conrad**

VP of People & HR, TrustRadius

### 3. Bias is still a major concern

Efficiency is great, until it backfires.

*"I'm worried about how AI will contribute to biases."*

*"Hopefully there are laws where you have to take permission from candidates before using AI."*

The sentiment is clear: The fear isn't that AI will replace recruiters, it's that it will amplify bias and hurt candidate trust if not used responsibly.

#### **Recruiters want:**

- Transparency into how decisions are made
- Consent from candidates
- Guardrails and compliance baked into the tools they use

### 4. Faster doesn't always mean better unless you're trained

AI is already helping teams source faster and reduce time-to-fill.

But there's a clear warning: speed without skill is risky.

*"AI helps answer emails, check resumes, and find better candidates... but only if recruiters know how to use it."*

*"If we don't adapt and learn, we'll be replaced."*

Upskilling and training are a must.

#### **The AI-enhanced recruiter of 2030:**

- Understands data
- Knows how to leverage AI tools ethically
- Prioritizes human connection at the right moments

## 5. From recruiter to talent strategist

As AI takes over the “how,” recruiters will double down on the “why.”

*“Recruiters who embrace AI as a collaborator, not a replacement, will thrive.”*

*“We’ll move from recruiting to advising. From resume-sifting to value-building.”*

**In this new landscape, recruiters won’t just source. They’ll:**

- Build proactive talent pipelines
- Advise on hiring strategy
- Influence DEI and employer brand
- Focus on candidate experience as a differentiator

“I believe Recruiting Coordinator functions will largely be handled by technology. AI sourcing tools will continue to improve, freeing recruiters to focus on strategic work like succession planning, hiring manager coaching, and talent branding.

As automation advances and reliable data becomes more accessible, recruiting teams will become increasingly data-focused. While teams may grow leaner, I don’t believe they will be completely replaced.

Interviewing is a two-way street— candidates want to connect with real people, not just algorithms”



**Rachel Kargas**

Managing Director, Reten



## 6. The rise of AI-first recruiting flows

Some respondents see a more radical future: one where [agentic AI recruiting](#) becomes the default.

*“Recruiting will transform into a primarily AI agentic process flow.”*

That means:

- AI not just screening but matching and pitching roles
- Recruiters acting more like product managers for talent
- Human touch only where it adds value

## 7. We're not losing the human touch. We're revaluing it

Perhaps the most powerful takeaway?

*“It will increase the value of human connection after disrupting it.”*

The irony is that AI may force teams to become more human, not less.

Once the noise is cleared, what remains is trust, empathy, storytelling, and culture fit...things no machine can fake.

## Bottom line?

The recruiters who adapt, learn, and lead with strategy will thrive in a world where AI does the grunt work, and they drive the value.

# The recruiting tech stack in 2025:

Gaps, priorities & future investments



# The recruiting tech stack in 2025: Gaps, priorities & future investments

Recruiting technology should be a competitive advantage. Yet, most recruiting leaders remain lukewarm about their current tech stacks.

The data tells a clear story. While recruiters recognize the need for better tools, their current setups aren't delivering.



- On a scale of 1 to 10, recruiters rated their satisfaction with their tech stack at just 5/10— a clear sign that most teams feel their tools are underperforming.
- Instead of enabling hiring teams, many systems add friction, forcing recruiters to manually fill in gaps where tech should be driving efficiency.

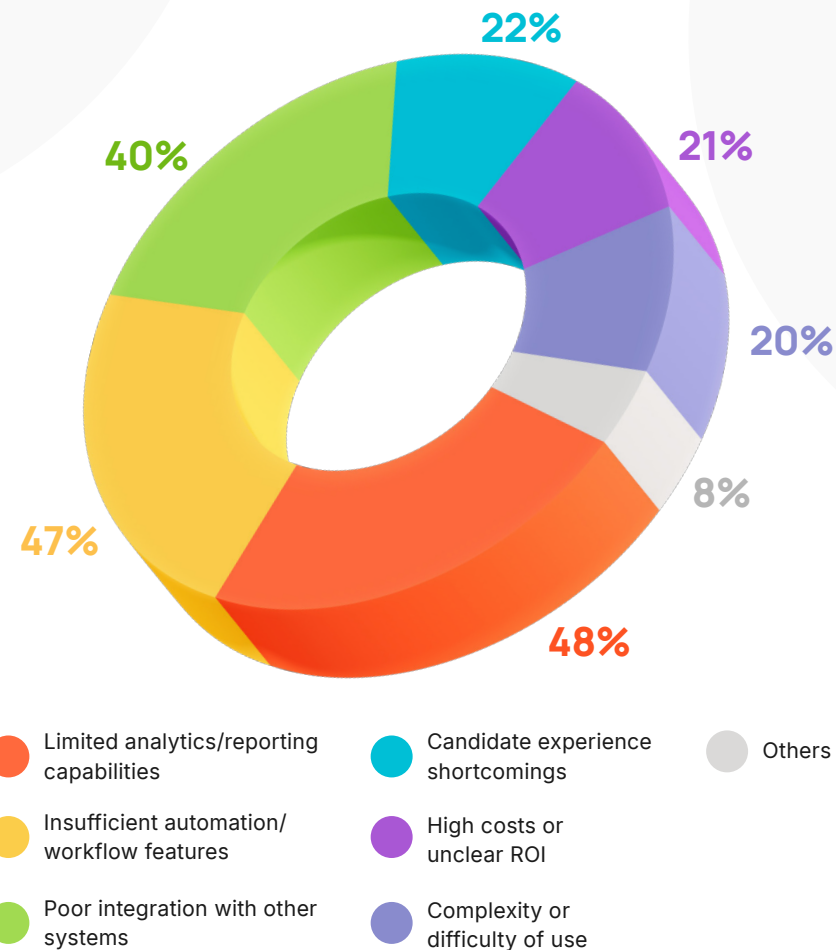
# The biggest tech stack challenges

When asked what aspects of their current tech stacks need improvement, recruiters pointed to 3 major friction points:

- **Limited analytics and reporting capabilities (48%)** – Hiring teams lack real-time insights and actionable data, making it harder to optimize their recruiting strategies.
- **Insufficient automation/workflow features (47%)** – Many systems require too much manual intervention, slowing down processes instead of streamlining them.
- **Poor integration with other systems (40%)** – Disconnected tools create inefficiencies, forcing recruiters to jump between multiple platforms.

Other notable frustrations mentioned by respondents included:

- **Lack of native AI integration** – Many hiring teams still rely on manual candidate screening.
- **Overall limited functionality** – Some ATS platforms have restrictions on bulk actions and workflow flexibility, adding unnecessary friction.
- **Minimal AI adoption** – Even in systems that have AI, its use is often limited or underdeveloped, failing to provide meaningful automation or decision-making support.



*A modern recruiting tech stack is about decision intelligence. Recruiters don't just need systems that collect data, they need tools that surface insights and drive smarter hiring decisions.*

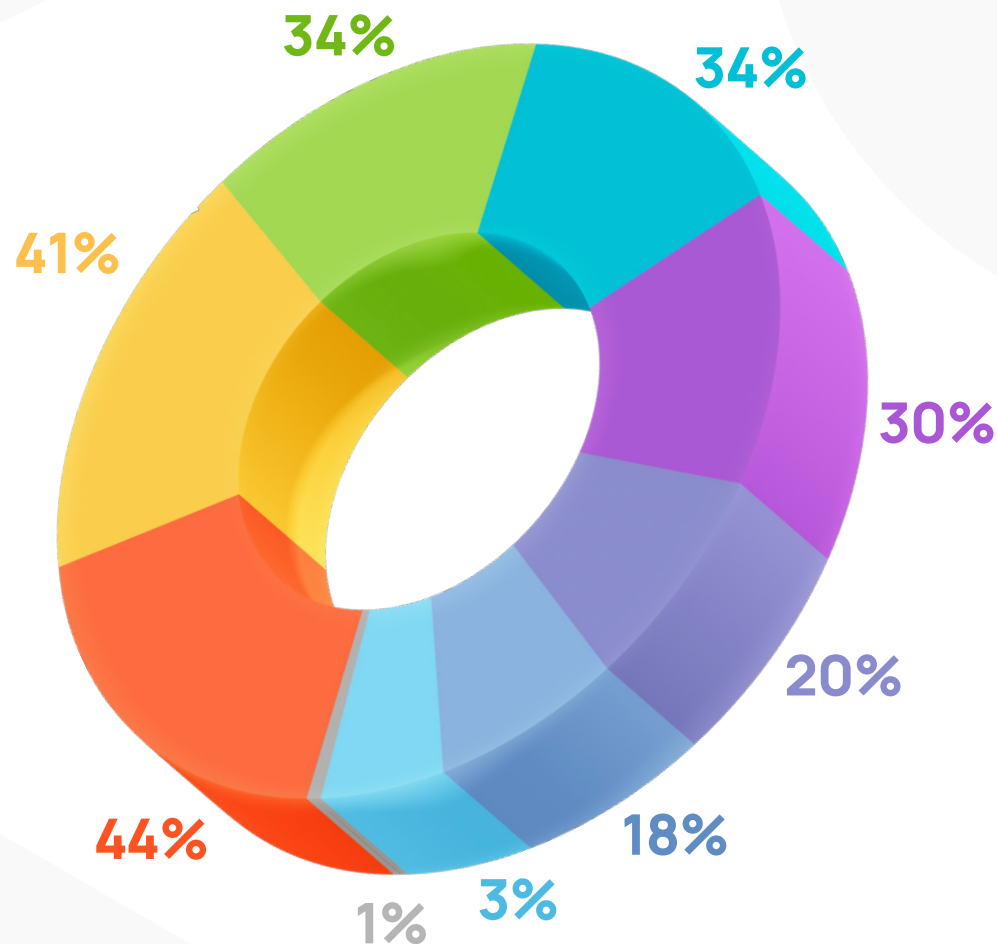
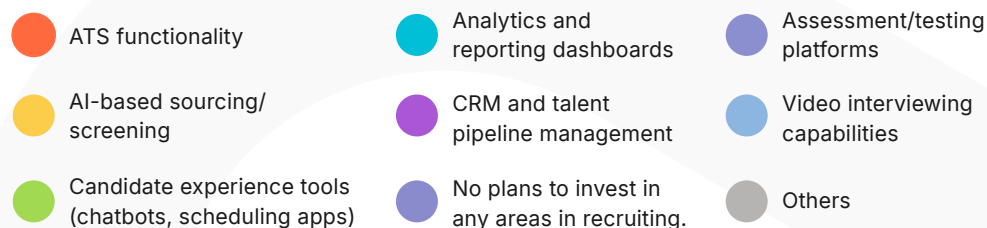
Also read: [What's in a winning recruiting tech stack? \[Updated for 2025\]](#)

# Where are teams investing next?

With frustration high, where are recruiting leaders planning to upgrade their tech stacks in 2025?

The top priorities include:

- **ATS functionality (44%)** – Optimizing Applicant Tracking Systems remains a primary focus, as many teams struggle with outdated or clunky ATS platforms.
- **AI-based sourcing & screening (41%)** – With the rise of AI in hiring, companies are betting on intelligent tools to enhance sourcing and pre-screening efficiency.
- **Analytics and reporting dashboards (34%)** – There's a strong demand for better data-driven decision-making to improve hiring efficiency and track performance.
- **Candidate experience tools (34%)** – Recruiters are investing in chatbots, scheduling apps, and engagement tools to enhance the candidate journey.



# Where traditional **ATS platforms** fall short



# Where traditional ATS platforms fall short

Most legacy ATS platforms were built over a decade ago to handle basic recruiting tasks such as storing resumes, tracking candidates through hiring stages, and keeping tabs on compliance. Back then, that was enough.

But today, it's not even close.

Hiring has become way more complex. Recruiters are expected to hire faster, make smarter decisions, and offer a better candidate experience—often with limited resources. And traditional ATS platforms aren't cutting it.

Here's where they fall short:



**Fragmented workflows:** Recruiters are juggling multiple tools for sourcing, analytics, scheduling, and reporting. Nothing talks to each other, so they end up wasting time bouncing between platforms.



**No AI-driven automation:** Most of these systems weren't built with AI in mind. Screening, sourcing, follow-ups- it's all manual. And that's a problem when speed and efficiency matter more than ever.



**Weak reporting & insights:** Recruiting leaders want real-time data and predictive insights. But traditional ATS platforms still rely on clunky dashboards that don't tell the full story. You can't fix what you can't measure.



**Lack of customization:** Legacy systems are rigid and outdated. They were built for compliance, not for modern hiring needs. Trying to customize them to fit your process is like trying to fit a square peg in a round hole.

## Bottom line?

Traditional ATS platforms were great when the goal was just to organize candidate data. But now, hiring teams need systems that help them hire faster, smarter, and better—without all the friction. And the old tools just aren't built for that.



# The cost of sticking to outdated tools

Many recruiting teams are still relying on ATS platforms that were built over a decade ago, tools designed for a different era of hiring. While these systems may have worked in the past, they're now becoming a liability in an AI-driven world.

Relying on decade-old ATS platforms is slowing teams down. Built for a different era of hiring, these systems are now liabilities in an AI-driven world. Here's why:





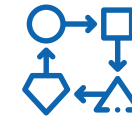
## Time wasted on manual tasks

- Recruiters are spending hours on resume screening, scheduling, and follow-ups that should be automated.
- Instead of operating as strategic advisors, they're stuck in administrative busywork.



## Lack of real-time insights

- Without predictive analytics, hiring teams are making decisions based on guesswork.
- Traditional ATS platforms don't provide actionable intelligence on pipeline health, candidate quality, or hiring efficiency, leaving recruiters flying blind.



## Fragmented workflows

- Sourcing, engagement, interview scheduling, and reporting are scattered across different systems.
- Recruiters are forced to jump between platforms, resulting in inefficiencies and lost context.



## Delays cost talent

- In today's market, [the best candidates are off the market in just 10 days.](#)
- Outdated systems create bottlenecks instead of speeding up the process.



## Rising costs due to inefficiency

- Many ATS platforms require costly third-party add-ons for sourcing, analytics, or automation.
- This drives up expenses without providing a seamless, efficient experience.

AI is no longer a future consideration. It's actively reshaping hiring today. Recruiting teams that fail to leverage AI for sourcing, screening, and decision intelligence will struggle to keep up. Sticking with an ATS that lacks native AI capabilities is no longer just an inconvenience, it's a competitive risk.

For talent leaders looking to scale hiring without the inefficiencies, Kula is built for the future of recruiting.

# How Kula stands out:

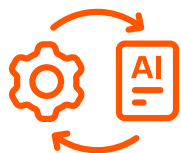
An AI-first, all-in-one hiring platform



# How Kula stands out: An AI-first, all-in-one hiring platform

Kula is the first True All-in-One hiring platform with native AI designed into every stage of the recruiting process—from sourcing to screening, scheduling, and reporting. Built by recruiters and powered by AI That Knows Recruiting—helping you hire 2-5x faster, without the add-ons, gaps, or compromises of traditional systems.

Here's how Kula compares to legacy ATS platforms:



## AI-Powered Screening & Automation

Unlike Greenhouse, Lever, or Workable, Kula automates candidate screening, shortlisting, and outreach, cutting down recruiter workload.



## Built-in Sourcing & CRM

Kula connects seamlessly with LinkedIn & GitHub to streamline candidate imports, automate multi-channel outreach sequences, and manage your talent pipeline in one place—no need for separate outreach or CRM tools.



## AI-Powered Interview Assistance

– Kula's AI-Notetaker & Autofill Scorecards remove the need for manual note-taking, making interview debriefs seamless and efficient.



## Conversational Analytics & Custom Reports

With Conversational Analytics, teams can ask natural-language questions and generate visual hiring insights in seconds. Easily report on pipeline & hiring performance without the technical barriers.



## True end-to-end hiring

– While other platforms require multiple add-ons and integrations, Kula brings sourcing, ATS, scheduling, and AI-powered decision-making into a single tool.

## Compare your ATS vs. Kula → Explore the difference

**More reads** See how Kula stacks up against [Greenhouse](#), [Lever](#), [Workable](#) & [Ashby](#).

# 20 key findings from the 2025 State of Recruiting report

1. Recruiting teams are under pressure. Nearly 45% of recruiters feel mounting pressure to fill roles faster while maintaining candidate quality.
2. Talent shortages remain a top challenge. 59% of recruiters struggle with a lack of qualified candidates, making sourcing more difficult.
3. Salary misalignment is a major obstacle. 45% of recruiters cite compensation mismatches as a major barrier to hiring success.
4. Competition for top talent is intense. 36% of recruiters report that candidates are fielding multiple offers, making hiring more competitive than ever.
5. Hybrid and remote work complexities persist. 41% of recruiters say location-based hiring challenges are impacting their ability to attract talent.
6. AI-driven hiring fraud is emerging. Recruiters are encountering AI-generated resumes, automated interview responses, and “AI catfishing” candidates.
7. Economic uncertainty is impacting hiring. 34% of recruiters report that budget cuts, hiring freezes, or shifting market demand are affecting recruiting plans.
8. Quality of Hire (QoH) is the #1 priority. 62% of recruiters rank QoH as their most critical hiring metric, surpassing speed and cost.
9. AI adoption in recruiting is growing, but slow. The average AI adoption maturity level is just 4/10, with most teams still in the experimentation phase.
10. AI is primarily used for repetitive tasks. 33% of teams use AI for resume screening and sourcing, while 23% automate candidate engagement.
11. AI expansion is planned in 2025. 28% of teams plan to use AI for candidate assessments, and 25% are exploring AI-driven video interview analysis.
12. Bias & compliance concerns are slowing AI adoption. 55% of recruiters say AI-generated results aren't accurate enough, and 56% worry about losing the human touch.

# 20 key findings from the 2025 State of Recruiting report

13. Recruiting tech stacks are underperforming. Recruiters rate their satisfaction with their current recruiting tech stack at just 5/10.
14. Top recruiting tech pain points include:
  - 46% cite limited analytics and reporting.
  - 46% struggle with a lack of automation.
  - 39% report poor integration with other systems.
15. ATS platforms remain fragmented. Greenhouse, Lever, and Workable are top choices, but 8% of teams still rely on spreadsheets for tracking candidates.
16. Investment in AI-powered recruiting is increasing. 40% of recruiters plan to invest in AI-driven sourcing and screening tools in 2025.
17. Data-driven hiring is a major focus. 34% of teams are prioritizing better analytics and reporting tools to improve hiring efficiency.
18. Candidate experience is becoming a key investment area. 33% of recruiters are upgrading scheduling tools, chatbots, and engagement platforms.
19. Recruiting budgets are fluctuating. 18% of organizations expect an increase in their hiring budgets, while 26% remain unsure about future funding.
20. AI-first hiring platforms are reshaping recruiting. Traditional ATS platforms lack built-in AI, automation, and real-time insights— driving teams to adopt next-gen hiring platforms like Kula.

# A big thank you



**Lorna Erickson**

Hiring Manager Coach, Co-Founder - Expert Interviewers



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**Michael Brown**

VP Global Talent Attraction, Snk



**Jeremy A. Lyons**

Co-founder, RecOps Collective

# Closing note

If there's one thing this report makes clear, it's this: **recruiting is at a crossroads.**

For years, hiring teams have been expected to do more with less— faster hires, better candidates, tighter budgets. And now, with AI changing the game, the role of recruiters is evolving yet again.

Here's the truth: AI isn't the future of recruiting. Recruiters are.

The tools will change. The technology will evolve. But at the heart of every great hire is still a human decision— a recruiter who understands the nuances, the culture fit, the intangibles that AI can't see.

That's why we built this report. Not just to surface trends, but to help you take action.

- **If you feel like your tech stack is slowing you down, you're not alone.** Many teams are stuck with fragmented, outdated tools that add friction instead of removing it.
- **If you're skeptical about AI, you're not alone.** The majority of talent leaders still struggle with trust, bias, and explainability.
- **If you're feeling the pressure to deliver more value, you're not alone.** Every recruiting team is being asked to prove ROI and rethink their strategies.

At Kula, we believe hiring should be faster, smarter, and fundamentally fairer. But we also believe recruiters deserve better tools to make that happen.

This report is a wake-up call. The future of hiring isn't just about technology. It's about the people who use it.

So here's to you – the recruiters, the talent leaders, the hiring teams shaping the workforce of tomorrow.

We see you. We're building for you. And we can't wait to see what you do next.

— Team Kula