

DISCOVERING TALENT. FUELING GROWTH.

RECRUITMENT TRENDS REPORT 2026

ABOUT US



Corporate Navigators is a Chicago-based recruiting research and candidate sourcing firm founded in the year 2000 by Mitch Golob.

As specialists in recruitment research, candidate sourcing, and competitive intelligence, we serve corporate talent acquisition teams and executive search firms in the United States and around the globe.

FOREWORD

As 2025 comes to a close, we have endured months of change and adaptation, and 2026 shows an ongoing need for agility on all fronts.

A slowing economy, the mass adoption of AI, and macro-scale restructuring in the corporate landscape speak to an ongoing need to plan for the future.

This is a dynamic time that requires a careful balance of building and preparation. As companies opt to consolidate and upskill from within, there is still a need to recruit skilled individuals, especially in fields where talent is hard to come by.

Since 2000, we have been here to help companies explore their options as they adapt to the times, whether it's the arrival of the digital age, navigating the great recession, exploring the rise of ecommerce, hiring for a tech boom, and beyond. We have been there for it all and will be here to partner with you, whatever may come.

Let's dive into the most prominent recruiting trends of 2026. There is reason for cautious optimism on what the future holds!



Sincerely,
Mitch Golob
President and Founder of Corporate Navigators

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KEY FINDINGS

63% Employers now view skill shortages as the top barrier to transformation.

73% The percentage of companies adopting international hiring in their recruitment strategy in 2025 and into 2026.

10 Days Amount of time the top 10% of candidates are available on the job market.

- The average skill gap rate for industries across the board by the year 2027.
- **73%** Employees planning to stay in current roles, shrinking the pool of active and passive candidates, plus job openings.
- The average time saved by recruiters who use Artificial Intelligence for traditionally rote tasks like resume screening.

44 Days average time to hire a standard candidate

THE TALENT SHORTAGE INTENSIFIES

While economic headwinds may have slowed down general hiring, the shortage of critical talent has not eased.

In fact, the current talent shortage is projected to intensify in 2026. The World Economic Forum projects that the average enterprise will face a 40% skills gap by 2027, while 63% of employers now view skill shortages as the top barrier to transformation.

As we mentioned in our 2025 report, Baby Boomers are retiring at a rate of 10,000 people per day, which is <u>outpacing the influx</u> of younger, qualified labor, causing gaps in management and professional occupations.

Rapid technological advances are also creating <u>data-driven roles</u> related to AI, but the demand isn't meeting the supply. To cope with these changes, other trends like skills-first, overseas, and remote hiring are in play. We will discuss these specific trends later on in this report.

Healthcare, Engineering, Construction, and Tech sectors are experiencing acute shortages, with Construction alone needing nearly 500,000 additional workers by 2026.

To navigate these difficulties, employers must innovate continually to attract and secure the skills they need for growth and resilience.

63%

of employers now view skill shortages as the top barrier to transformation.

Acute Shortages

Certain industries in particular are feeling the pinch:

- Healthcare
- Engineering
- Construction
- Tech

THE TALENT SHORTAGE INTENSIFIES

Ripple Effects of the Ongoing Talent Shortage

- More Career "Parking": Many workers are prioritizing stability, with 73% planning to stay in current roles, shrinking the pool of active and passive candidates.
 Only transformative opportunities will move top talent.
 This also reduces the amount of open roles in the job market.
- An Ongoing Need for Upskilling: To mitigate the impact of the talent shortage, companies should invest in upskilling and reskilling programs for current staff to retain and develop talent.
- Hiring Based on Skills First: With skills in AI in high demand and universities not updating AI courses quickly enough, hiring AI experts with degrees has been a challenge. Opting to hire those with the necessary skills but not a formal degree has been on the rise.
- More Proactive Talent Pipelining: Addressing the
 anticipated talent shortage requires a multifaceted
 approach that includes building candidate pipelines.
 Companies that are proactive in sourcing and nurturing
 a talent pool will be better positioned to manage the
 evolving talent landscape and maintain their
 competitive edge compared to those that don't have
 talent pools.



Career Parking

During times of rapid change and uncertainty, it's natural to want to "park" at a company for job security.

Nearly three-quarters of employed workers are staying put, making it up to recruiters to fish them out.

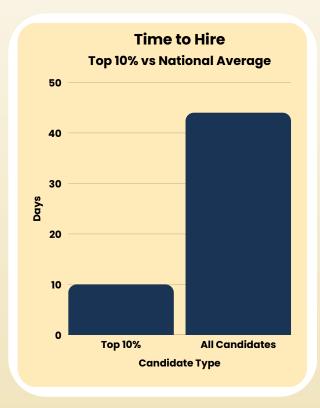
TIME TO HIRE FOR TOP CANDIDATES

Despite inflated wages (up 3.9% in 2025), the <u>top 10% candidates</u> remain available for only about 10 days, a trend that has remained steady for years. Meanwhile, the national average time-to-hire remains 44 days from last year, signifying an ongoing mismatch in availability and hiring processes. The bottom line: Employers who delay lose out on the best talent.

Top candidates, especially those with in-demand technical or leadership skills, are available for one-fourth of the national average timeframe because competition is fierce, multiple employers target these candidates, and job seekers are prioritizing flexibility, fast hiring, and positive work cultures over salary alone.



At the same time, extended and slow hiring processes, averaging up to 44 days, allow competitors to swoop in and capture these candidates, compounding the mismatch between availability and hiring speed.



What Defines The Top 10%?

The top 10% of job applicants are typically defined as those who stand out due to a combination of exceptional qualifications, relevant experience, strong soft and hard skills, and a clear alignment with the company's culture and values.

These candidates often demonstrate a proven track record of success, initiative, adaptability, and a strong motivation to grow and contribute meaningfully to the organization.

TIME TO HIRE FOR TOP CANDIDATES

Why Are Top Candidates Are Available Only 10 Days?

- Top talent is in extremely high demand, especially those with specialized skills or stellar track records. Companies move quickly to secure these candidates before others schedule second interviews.
- Skilled candidates are often approached by <u>multiple employers at once</u>, resulting in rapid decision cycles and swift acceptance of offers.

Why is the Time to Hire for All Candidates Much Higher at 44 Days?

- The global average time to hire has remained 44 days from last year, an increase from <u>31 days</u> in 2023. This is due to multi-step interview processes, excessive internal deliberation, or waiting for decision-maker input.
- Manual or outdated processes slow down employer response times, allowing competitors to capture talent during the delay.
- Candidate drop-off rates are rising, with up to 60% quitting lengthy application or interview procedures.

Structural Causes of the Mismatch

- Employers believe that inflated wages should guarantee better hiring results, but top talent's priorities have shifted to include flexibility, career growth, and employer brand.
- Persistent skill shortages mean that even with aggressive pay increases, the best talent remains scarce and in control, creating an urgent, highly competitive market.
- Long approval chains and risk-aversion slow things down within organizations, while smaller or nimbler firms benefit from making expedited offers.



TIME TO HIRE FOR TOP CANDIDATES

How Employers Identify the top 10%

To identify the top 10% of candidates, the criteria is subjective per employer. Organizations may use a mix of resume screening, interviews, reference checks, and sometimes skills assessments to identify the top 10% that fit their growth goals and culture. The selection ratio (number of hires compared to total applicants) is often used to gauge how competitive a pool is, with the top 10% typically being those who meet or exceed all key criteria and outperform others in interviews and assessments.



Overall, the top 10% of job applicants are those who not only meet the technical requirements but also exhibit the personal qualities, motivation, and cultural fit that make them highly desirable hires.

Key Criteria for The Top 10%

- Exceptional Qualifications
- Exceptional Experience
- Soft Skills
- Alignment with Company Culture
- Initiative
- Motivation
- Proven Track Record
- Continuous Learning
- Professionalism
- Preparation

What Lies Beneath

Underlying this problem are persistent skill gaps, changing workforce priorities, and complex interview and approval processes within organizations.

While higher pay is attractive, it doesn't fully address jobseekers' evolving expectations or solve the structural shortage of talent in sectors like healthcare, AI, and engineering.

Overcoming this challenge requires employers to streamline hiring, clarify roles, communicate clearly, and invest in upskilling, flexibility, and employer branding as differentiators.



SKILLS-FIRST HIRING

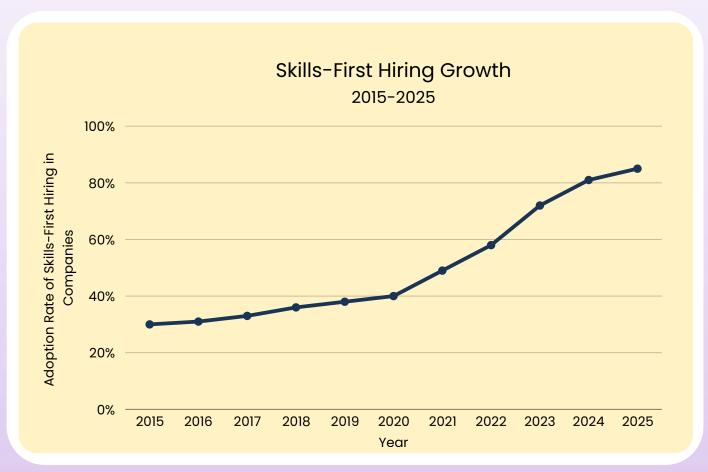
Degrees still have importance, but skills are rapidly gaining momentum.

Skills-first hiring is rapidly replacing degree-based and title-centric recruitment, especially in competitive fields like technology and finance, to tap into wider and more diverse talent pools and address skills gaps.

Employers are increasingly valuing <u>soft skills</u> and dropping traditional degree requirements, making adaptability and skills-based assessments central to hiring decisions. The World Economic Forum projects that the average enterprise will face a 40% skills gap by 2027, and 63% of employers now view skill shortages as the top barrier to transformation.

Companies like IBM and Google have led the way; studies show <u>skills-based</u> <u>approaches</u> are up to five times more predictive of job performance and can also improve retention.

Over the past ten years, the adoption rate of skills-first hiring has increased from 30% to <u>85%</u>, with a staggering <u>40% jump</u> between 2020 and 2025 alone.



AI AND DATA DRIVEN HIRING

In recruitment, AI-powered tools now automate resume screening, candidate sourcing, interview scheduling, and even culture matching, dramatically reducing time-to-hire (sometimes by over 40%) and enhancing decision quality.

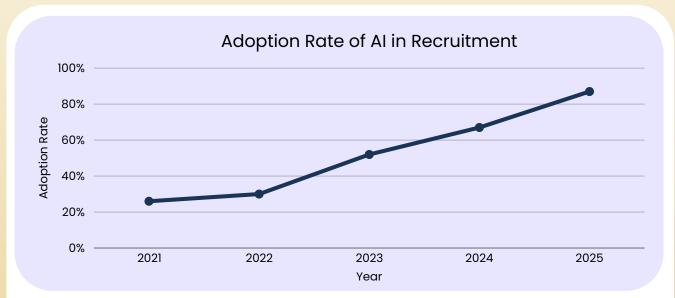
Automation, especially with asynchronous video interviews and digital assessments, is transforming early-stage evaluations and applicant management. This saves time for recruiters and streamlines the onboarding process, but it must still be used with human oversight.

In addition, predictive analytics and CRM systems are increasingly embedded in HR tech stacks to forecast talent needs and drive more proactive recruiting strategies.

Al Adoption Rate in Recruitment (2021–2025)



To support this, the adoption of AI in recruitment has <u>accelerated</u> rapidly, rising from about 26% of organizations in 2021 to <u>87% by 2025</u>. This data reflects a major shift toward mainstream, routine use of AI technologies for recruitment across industries.



The figures for AI adoption in recruitment were derived from a combination of industry surveys, HR tech usage reports, and <u>benchmarking studies</u> published by organizations like SHRM, Gartner, Deloitte, and HR.com.

CANDIDATE EXPERIENCE

Did you know that <u>58% of candidates</u> have turned down a job offer because of a poor candidate experience, which includes issues during interviews or the application process?

Employers believe that <u>inflated wages</u> should guarantee better hiring results, but top talent's priorities have shifted to include flexibility, career growth, and employer brand quality. Therefore, attracting and retaining talent in 2026 requires a balanced focus on brand, the interview process, workplace culture, and salary/benefits offerings.

Your Reputation Matters!

It's becoming even clearer that <u>brand image</u> and reputation matter, especially as we are now practically inundated in digital culture.

Organizations are investing in seamless, branded experiences across digital, mobile, and virtual channels, since <u>positive candidate journeys</u> are directly linked with hiring success and long-term reputation.

In addition, ensuring that candidates have a positive experience with your company when applying for a job to the onboarding process and beyond is critical to help build a positive reputation.

Nearly half of candidates—49%—have rejected job offers because they weren't happy with how the hiring process was managed. Additionally, 36% turned down jobs after negative interview experiences, while 26% declined offers due to unclear expectations or bad communication.

In some surveys, as many as 63% of job seekers said poor treatment during the hiring process led them to reject job offers. The most common factors driving these decisions include lack of feedback, unprofessional or disrespectful interviewers, slow or confusing processes, and negative impressions of company culture.

A Bad Hiring Process Can Cost You



49% of candidates have rejected job offers because they experienced an unpleasant hiring process.

GLOBAL HIRING

A Focus on Global Recruitment

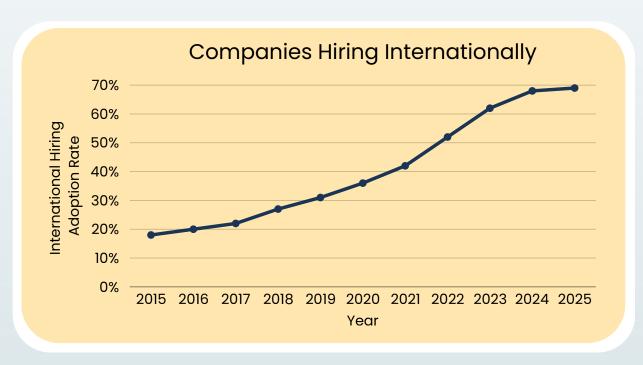
With remote work now mainstream in the workplace, the world feels smaller than ever. Thankfully, this trend allows employers to cast a wider net when searching for talent. No longer limited to geographic boundaries, they can look beyond their city, state, and even their own country.

When you take location out of the equation, it opens up more opportunities to find rare talent. Many employers have caught on, and there is a growing trend of onboarding <u>overseas candidates</u>. Into 2026, more firms report a willingness to consider international candidates or distributed teams, further increasing competition for skills but also unlocking fresh capabilities.



A Surge in International Hiring

The rate of companies engaging in international recruitment rose from <u>around 18%</u> in 2015 to <u>around 69%</u> in 2025, reflecting a significant global shift toward cross-border talent strategies driven by remote work, skill shortages, and technological advances, which require specific skillsets which may not be available locally.



INSIGHTS FROM OUR TEAM

Nothing beats first hand experience. So that's why we asked our experts, who work with recruiters and companies daily, what has been trending.

Mitch Golob

President & Founder
Years of Experience: 30+

"We have found that client needs are evolving over time. It's not simply enough to know the "who", but also the "how" and the "why" as well. Specifically, they still want us to identify key talent, but they also need to understand how teams and functions are organized, even looking for us to capture why the decision makers at the companies we target determined that structure is the most effective.

Clients are looking to their peer companies and best practice companies to emulate what is working most efficiently in the marketplace, and they look to us to provide those insights."

Jessica Smith

Senior Researcher Years of Experience: 21+

"I've been finding that searches are becoming more granular. Instead of a basic search for a CFO, this year's clients have been wanting more specific details beyond a title."

Keith Fine

Research Manager - Life Sciences Years of Experience: 25+

"In 2025, I've had a lot of clients ask me for personal contact information of candidates that go beyond just work phone and email. They want social media links, Facebook, Instagram handles, and more details that demonstrate the candidate's online footprint."

INSIGHTS FROM OUR TEAM

Anthony Kiefer

Research Manager Years of Experience: 10+

"Al is becoming a business tool. There are significant business advantages, including creating new products, enhancing workflows, and processes. Essentially, productivity can be increased across the enterprise if applied correctly. Other advantages are that predictive analytics and improved decision-making can happen at record speeds.

Putting people in organizations that know how to effectively leverage the power of AI tools is crucial moving forward. I think a few savvy companies that are on the cutting edge of this will set the pace for entire industries, and more and more companies are following suit. Because of this, I would think in 2026 we will see even more need for talent who know the AI space."

Jeff Bintinger

Client Manager & Research Associate
Years of Experience: 12+

"There seems to be a ton of needs in the construction space, which has been steadily growing the last few years. It is everywhere, and I anticipate that trend picking up knowing how dynamic these times are. Specifically, renewable energy infrastructure projects are dynamite and growing. Companies are retrofitting existing buildings at a fast pace to invest in future energy cost savings and modernize. Aerospace and defense also continues to be steady as well."



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