



The New Rules of Hiring

AI, Disruption, and the Opportunity in Front of Us

A Four-Part Study on Hiring Trends, Workforce Dynamics, and AI's Role in Shaping the Future



Executive Summary

The hiring landscape is changing faster than most employers realize and not in the direction most predicted.

AI is displacing knowledge workers at an accelerating rate, while skilled, hands-on roles in automotive, hospitality, and long-term care are becoming more stable and more valuable. At the same time, employers who can't find qualified candidates are sitting in the same market as applicants who are actively reskilling, switching industries, and looking for exactly what these industries offer: stability and work that can't be outsourced.

The gap isn't supply. It's execution.

This report, based on proprietary Hireology research across 400+ hiring managers and 1,900+ job seekers, reveals where the disconnect lives, in employer branding, hiring process design, outdated metrics, and early-stage AI adoption, and what organizations that move now will be able to build before the window closes.



By The Numbers

The Perception Gap Is Real

- **59%** of employers cite candidate quality and skills gaps as their #1 workforce challenge
- **43%** of applicants have successfully changed industries in the past five years
- **66%** are actively reskilling or considering reskilling programs

The Opportunity Is Massive

- **54%** of employers are now recruiting outside their traditional industries
- **86%** of employers already believe human oversight in AI-assisted hiring is critical
- **Only 2%** have fully scaled and optimized AI solutions, leaving massive first-mover advantages on the table

The Window Is Closing

- Organizations that act now—investing in employer branding, modernizing hiring processes, and deploying AI responsibly—will build sustainable competitive advantages
- Late movers will face intensifying talent shortages with increasingly fewer excuses



This study is based on proprietary research from Hireology's 2026 surveys of 400+ employers and 1,900+ job applicants. Unlike public labor data, this comes directly from hiring practitioners and job seekers in real time, revealing the strategies and pain points that matter most.

Methodology

This study combines quantitative and qualitative research across two distinct populations, reflecting the reality of hiring from both sides of the table.

Data Sources & Approach

Hireology's 2026 Hiring Market Study is based on primary research conducted with:

- **400+ hiring managers and HR leaders** across automotive retail, hospitality and long-term care
- **1,900+ active job seekers** spanning multiple industries, experience levels, and career stages

These surveys were conducted in December 2025 and represent hiring activity in real time.

Why This Data Matters

Unlike public labor statistics, Hireology's data comes from actual hiring decisions, real candidate behaviors, and verified employment transitions. Our respondents represent active hiring markets where money and employment outcomes are on the line.

This is proprietary Hireology data. No other research firm has access to this combination of employer and applicant perspectives. Organizations leveraging these insights gain a significant strategic advantage in understanding where the market is moving before competitors react.

Research Quality Standards

All surveys were administered anonymously, with responses validated for consistency and filtered for quality. Sample sizes exceed standard statistical thresholds (achieving margins of error <5% for primary findings). Data is segmented by industry, company size, geography, and role level to reveal differences often masked in aggregate reporting.

1

Knowledge Work vs. Skilled Labor —The Great Disruption

For decades, the career playbook was simple: go to college, get a white-collar job, and enjoy stable employment with upward mobility. Meanwhile, skilled trades and hands-on labor were positioned as fallback options—respectable, but not aspirational. That narrative is collapsing.



The AI Disruption Effect

Artificial intelligence isn't replacing the jobs we expected. While many predicted automation would eliminate manual labor first, the opposite is happening. AI is rapidly displacing **knowledge workers**—the marketers, analysts, accountants, and consultants who were told their cognitive skills made them irreplaceable.

The evidence is stark:

- **Amazon** eliminated 32,000 corporate positions in just three months
- **UPS** cut 50,000 jobs
- **Verizon** offered white-collar workers a choice: move to retail roles or take severance

Entry-level workers ages 18-24 are now experiencing unemployment increases at the steepest rate outside a recession. And it's hitting the most educated workers first.



Why Skilled Labor Is Suddenly the Safe Harbor

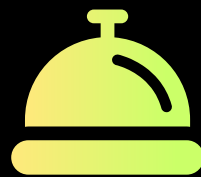
As more people watch knowledge work roles get reshaped by automation, outsourcing, and AI, a practical question is showing up in everyday conversations: **Where is the work that still feels dependable?** For many workers, the answer isn't a trendy title or a "future-proof" credential. It's a job that is local, hands-on, and essential—work that can't be fully digitized because it happens in real places, with real people, under real-world constraints.

Skilled labor and frontline roles are increasingly functioning as a safe harbor for one simple reason: they deliver something that's getting harder to find—stability. Not perfect stability, and not immunity from economic cycles, but a stronger link between doing the work well and staying employed.

That stability shows up clearly across three industries that touch daily life:



Automotive



Hospitality



Healthcare





Automotive: Durable Demand + Work That Requires Presence

Consider automotive retail and service. As Adam Robinson, CEO of Hireology, noted at NADA Show 2026: "When was the last time a financially healthy dealership had layoffs? If you show up on time every day, do your job, and you're good at it, you're employed for life."

The logic behind that claim is straightforward and reliable:

- ✓ **Vehicles still break**
Maintenance and repair demand doesn't disappear when software improves; it often shifts toward new diagnostics, tools, and hybrid skill sets. The work evolves, but the underlying need persists.
- ✓ **The work is relationship-driven**
Advisors and sales teams succeed through trust, speed, and problem-solving in real time—areas where customers still want accountable humans. Customers want to talk to someone they can count on, not navigate a fully automated system.
- ✓ **AI resistance is structural**
AI can assist with scheduling, diagnostics, and pricing guidance, but the core work—inspection, repair execution, customer handoff—requires human presence and judgment.



Hospitality:

Always-On Human Experience + Visible Performance Leaders

Hospitality is sometimes underestimated because the work is familiar to consumers. But that familiarity is exactly the point: restaurants, hotels, and venues run on **moment-to-moment human coordination** that technology can streamline—but not replace end-to-end.

Why hospitality offers stability:

- ✓ **Demand is constant and local**
Travel, dining, and events fluctuate seasonally, but the business model is built around physical presence and service delivery. Remote work and software can't change that fundamental reality.
- ✓ **Customer experience is the product**
A seamless stay, a great meal, a well-handled complaint—these outcomes depend on human judgment and emotional intelligence. AI can help forecast staffing, optimize menus, or automate routine messaging, but it cannot physically run a shift, de-escalate a guest situation, or train a new team member in the flow of service.
- ✓ **Skills compound quickly**
Reliability, pace, teamwork, and service recovery are transferable and promotable skills. Strong operators often move from entry roles into lead, supervisor, and management tracks faster than in many office environments.



Long-Term Care:

Essential Work + Demographic Demand + Trust-Centered Roles

Long-term care roles carry the heaviest emotional load—but they also sit at the center of **non-negotiable societal need**. When people talk about stability, this is what they mean: work that remains necessary regardless of technology cycles.

These roles offer stability because:



Care demand is structurally persistent

Communities will continue to need caregivers, aides, nurses, and support staff—often at increasing levels as populations age. This isn't a technology-driven shift; it's a demographic reality.



Trust and safety are core requirements

Patients and families want accountable humans. The work involves judgment, empathy, and real-time response. Regulation, standards, and oversight matter, but the hands-on care itself can't be virtualized.



Regulation and standards shape staffing realities

Compliance, documentation, and oversight requirements ensure consistent staffing needs. The work can't simply disappear or be optimized away.



The Shared Thread Across All Three: Stability Comes from "In-Person Complexity"

Automotive, hospitality, and long-term care look different day-to-day, but they share the same stability engine:

- **The work is location-bound.**
It happens in real places with real constraints.
- **The outcomes are time-sensitive.**
Problems need solving in the moment.
- **The core value is human interaction.**
Customers and clients want accountable people.
- **AI tends to be a tool that improves the job, not a system that replaces it end-to-end.**

That is why, while parts of knowledge work face existential disruption, skilled labor and frontline roles are increasingly viewed as the place where effort, reliability, and competence still convert into security.



The Perception Gap Remains

Despite these advantages, skilled labor industries face a branding problem. Many job seekers still view these roles as "last resorts"—even as their supposedly safer alternatives disappear.

The Wall Street Journal profiled Chris Reed, a 33-year-old tech sales professional who spent 10 months unemployed before taking a job selling Toyotas to support his family. His initial reaction? He thought it was a step down. This perception gap isn't unique to automotive.

Hospitality offers travel discounts, free meals, global networking, and genuine career pathways from front desk to management. Yet, most job seekers dismiss hospitality as temporary work, not a real career.

Long-term care faces a similar challenge. Certified Nursing Assistants provide 90% of direct resident care—essential, skilled work—yet are systematically viewed as "low-paid service workers." When facilities implement mentorship programs and reposition CNA roles as valued careers, retention jumps.

The pattern is the same across all three industries: **the jobs have evolved, but the perception hasn't.** The workers are available. The jobs are stable and well-compensated. The missing piece is positioning.

The Takeaway

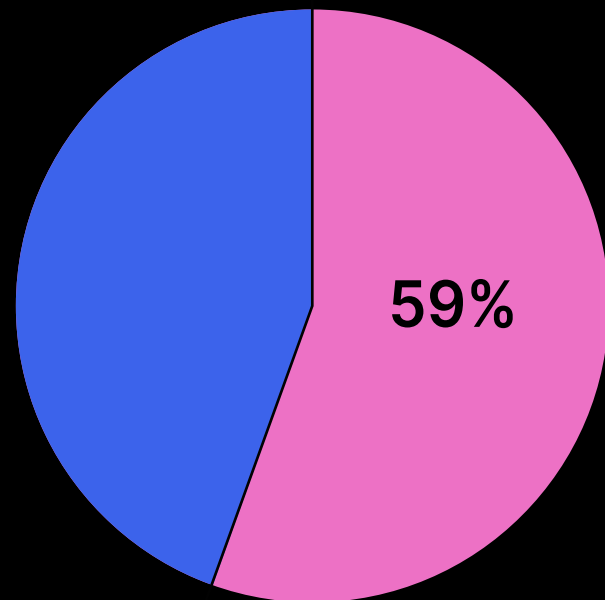
The old hierarchy—knowledge work as aspirational, skilled labor as fallback—is inverting. Industries that can reposition themselves as destinations rather than defaults will win the war for talent over the next three to five years.

How Hireology Helps: Capturing displaced talent requires a different kind of hiring approach, one built for reaching career-switchers, not just people already looking in your industry. Hireology's platform is purpose-built to help automotive, hospitality, and long-term care employers reposition their organizations as talent destinations through employer branding, skills-based screening, and hiring workflows built for the reality of frontline work.

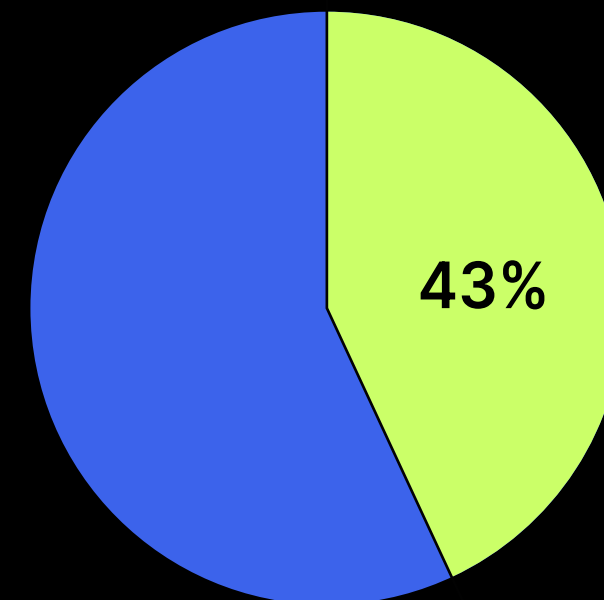
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Employer vs. Employee— Two Sides of the Same Frustration

**59% of employers cite
candidate quality and skills
gaps as their #1 challenge**



**43% of applicants
changed industries
in the last five years**



2

Employer vs. Employee— Two Sides of the Same Frustration



Employers and applicants are both frustrated with each other. Both feel misunderstood. And both are right. Hireology's 2026 research reveals a hiring market defined by **parallel dissatisfaction**—where employers and employees want similar outcomes but approach them from incompatible starting points.



The Employer Perspective: "We Can't Find Qualified People"

When employers describe their biggest workforce challenges, the answer is overwhelming:

- **59% cite candidate quality and skills gaps as their #1 challenge**
- **47% say candidate quality and skills match is their biggest job-market adaptation struggle**

The frustration is real. Hiring managers are sorting through applicants who don't seem to fit. Interviews that don't convert. Hires that don't stick. It feels like a supply problem.

But is it?



The Applicant Perspective: "We're Ready—You're Just Not Seeing Us"

The data tells a different story on the candidate side:

- **43% of applicants changed industries in the last five years**
- **36% have completed or are currently pursuing retraining or certification programs**
- **Another 30% are considering reskilling**

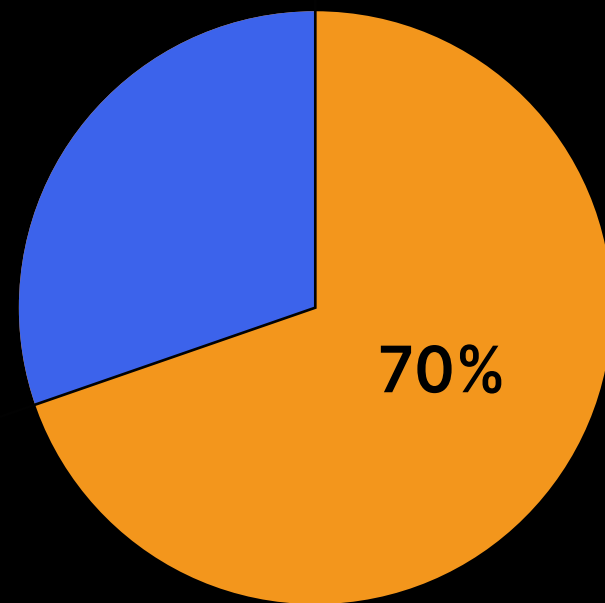
Candidates are actively adapting. They're switching careers, investing in new credentials, and signaling flexibility. Yet employers still report "skills match" as the major blocker.

This strongly suggests a process problem—not a people problem. Requirements are too rigid. Filters are eliminating viable candidates. Assessments aren't measuring transferable skills. Role clarity is missing.

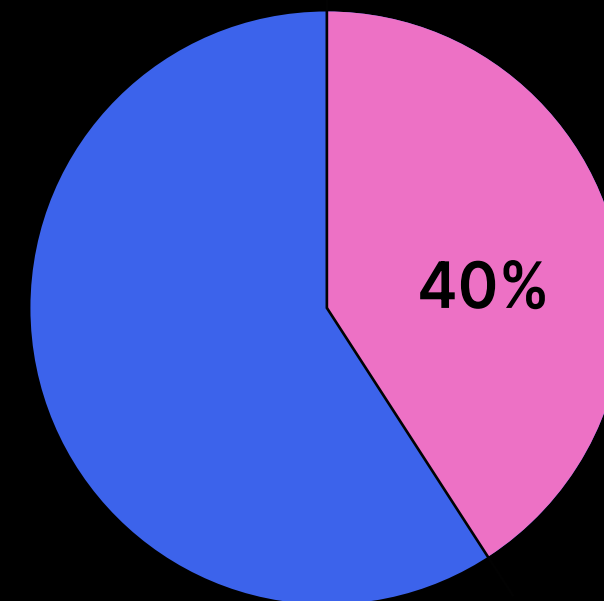


The Employer Brand Gap

**70% of applicants
research a company's
reputation before applying**



**Only 40% of employers
actively invest in
employer branding**



The Employer Brand Gap

Perhaps the most striking disconnect appears in how each side thinks about employer branding:

Applicants' behavior:

- **70% research a company's reputation before applying**
- **They're reading reviews, investigating culture, and forming opinions before they ever click "apply"**

Employers' investment:

- **Only 40% actively invest in employer branding**
- **46% explicitly say they don't invest in employer branding**

Candidates are pre-screening employers as a default behavior. They're reading reviews, researching culture, and forming opinions before they ever click apply. Yet nearly half of employers aren't actively shaping what candidates will find.

This creates a messaging vacuum. Candidates make hiring decisions based on incomplete or outdated information. Employers are confused why candidates are self-selecting out.



♥ What Applicants Actually Want

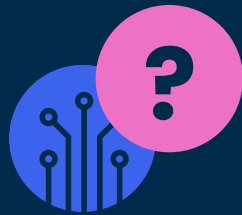
When job seekers explain why they switch roles or industries, the top driver is clear:
44% cite better pay and benefits.

But when asked about their overall priorities, the story shifts.

Employment stability has now surpassed career path as the top concern among job seekers.

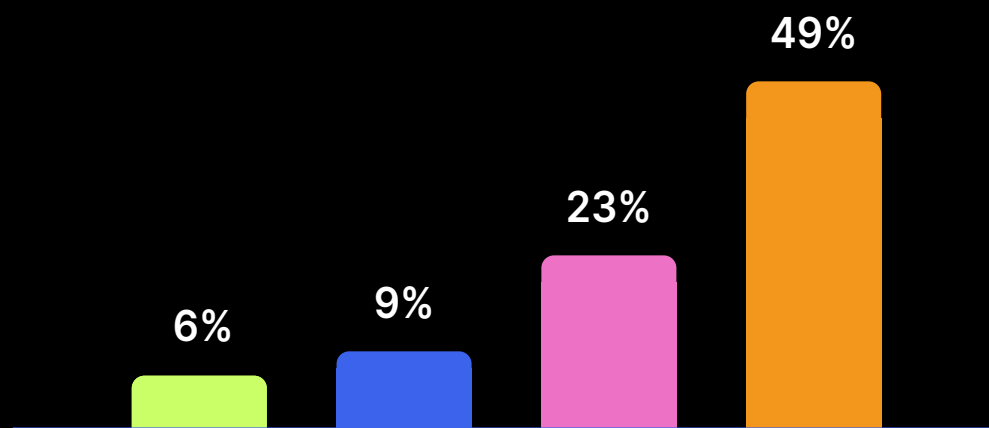
This is the critical insight: if you're recruiting outside your industry (as 54% of employers now are), you must communicate compensation and stability **early and explicitly**—or you'll increase application volume without increasing offer acceptance.





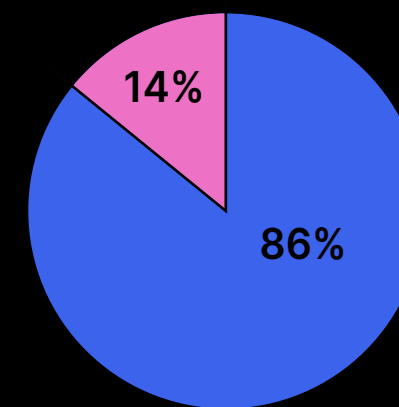
The Trust Question Around AI

Applicant comfort with AI in hiring:



- Not sure - 6%
- Somewhat uncomfortable - 9%
- Very uncomfortable - 23%
- Comfortable with constraints - 49%

Employer sentiment:



86% say human oversight in AI-assisted hiring is extremely or very important

The alignment is there. Employers already believe human oversight matters. Candidates need to see it. The trust contract is available—employers simply need to communicate where AI is used and where humans make final decisions.



Silence on AI is increasingly interpreted as a red flag.

The Takeaway

Employers and applicants aren't as far apart as they feel. Both want quality matches. Both value stability. Both are cautious about AI but open to it with transparency. The gap is in execution: clearer role requirements, better employer branding, and transparent communication about how decisions get made.

How Hireology Helps: The disconnect between employers and applicants isn't a supply problem, it's a process and messaging problem. Hireology gives employers the tools to close that gap: career sites that communicate stability and growth before candidates ever click apply, structured screening that evaluates transferable skills rather than filtering on credentials, and role clarity built into every job post. Better inputs yield better matches. The data in this section shows why. Hireology's platform makes it actionable.

3

Fill vs. Outcome— Why the Answer Is in Your Data

Hiring managers face relentless pressure to fill roles. Every day a position sits open costs money—sometimes dramatically so:



Unfilled technician positions:

~\$15,000/week in lost revenue



Unfilled sales positions:

~\$5,000/week



**54% of automotive jobs remain open
for more than 30 days**



The math creates urgency. But urgency without visibility creates a different kind of cost—and most businesses are flying blind.

For a single-location employer, a broken hiring process costs you time. For a multi-location operator managing 10, 50, or 500 properties, it costs you consistency, compliance, and competitive positioning at every level of the organization. When 54% of employers are now recruiting outside their traditional industry, the ability to evaluate transferable skills fairly and consistently across locations isn't a nice-to-have. It's the difference between building a team and perpetually filling seats.



The Visibility Problem

Before you can balance speed and quality, you have to understand what's actually happening in your hiring process. For most multi-location operators, that's harder than it sounds. Hiring decisions get made at the store level, tracked in spreadsheets (if at all), and reviewed only after problems surface.

As one automotive leader put it: "Prior to Hireology, we were recruiting with blindfolds on, utilizing free local job boards and managing applicant pools out of our email inboxes."

When you can't see your process clearly, you can't improve it. You're left reacting to turnover rather than preventing it.



What Hireology's Analytics Actually Reveal

Hireology's Insights platform was built to answer the questions that matter most to operators: Where are roles sitting open the longest? Which sources produce hires who stick? Where is my process breaking down—and how do I compare to other businesses like mine?

Specifically, the platform surfaces:



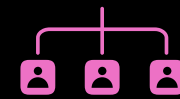
Hiring velocity

How fast are you moving candidates through each stage? Hireology's own data shows that employers who reduced their time to first outreach by 37% (from 25 days to under 16) increased total hires by over 20%—even while reviewing a smaller percentage of applicants. Speed at the right stage isn't a compromise; it's a competitive advantage.



Process adherence across locations

For multi-location operators, consistency is the hidden variable. One location may be converting applicants in days; another may be letting them go cold for weeks. Hireology's dashboards expose those gaps so leaders can intervene before a candidate is lost to a competitor.



Sourcing effectiveness

Not all applicant sources are equal. Hireology identifies which channels are driving quality candidates versus volume noise, so you can reallocate spend toward what actually works rather than guessing.



Industry benchmarking

Perhaps most powerfully, Hireology allows businesses to compare their metrics against industry averages. Knowing your time-to-hire is 23 days is one thing. Knowing that it's 8 days longer than the benchmark—and understanding exactly where those days are being lost—is what enables action.



Redefining Success: From Fill Rate to Business Outcome

The shift required is conceptual. Filling a role is not the same as solving a business problem. The right analytics infrastructure changes what you measure and, therefore, what you optimize for.

Hireology's Insights feature was designed precisely for this shift—providing, as Adam Robinson describes it, "real-time, customizable data and benchmarking capabilities" that empower organizations to make decisions tied to business outcomes, not just hiring activity.



Turning Data Into Action

The value of analytics isn't the dashboard—it's what it enables you to do differently.

Identify and eliminate bottlenecks

When data shows candidates consistently stalling at a specific stage, you can redesign that step rather than just pushing harder on the ones that already work.

Hold locations accountable

The Action Center flags delayed reviews and high-priority open roles in real time, giving regional and corporate leaders visibility into where attention is needed—before a candidate walks.

Optimize sourcing spend

With clear data on which channels produce hires who last, you stop wasting budget on volume and start investing in quality—improving outcomes without adding process time.

Benchmark continuously

The goal isn't to hit a metric once. It's to understand where you stand relative to the market and close the gap systematically over time.

The Takeaway

The fill-vs.-outcome tension is real but resolvable—and the resolution starts with knowing what's actually happening in your business. Organizations that operate with clear, real-time data on their hiring process will outperform those making decisions on instinct and lagging indicators.

How Hireology Helps: Hireology exists to provide that visibility: not just to tell you how many roles you filled, but to show you why some filled well and others didn't—and what to do differently next time. From tracking hiring velocity and sourcing ROI to benchmarking your performance against industry averages, Hireology surfaces exactly where your process is winning, where it's stalling, and what to do about it—across every location, in real time.

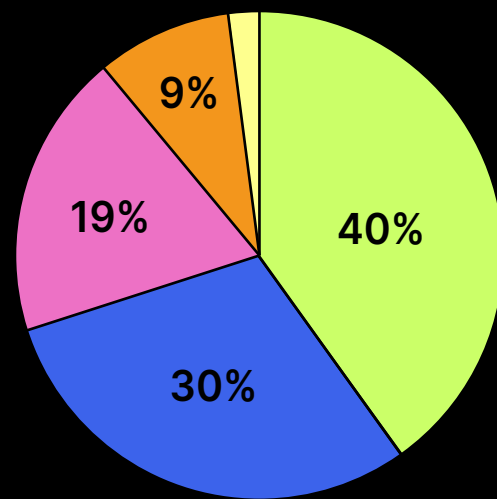
4

AI Solutions— Navigating Early Adoption with Eyes Open

AI in hiring is no longer theoretical. It's here—but it's early, uneven, and often misunderstood by both sides.

The Current State: Early and Uneven

Hireology's research reveals where employers actually stand on AI maturity:



- In early adoption (limited use cases) - 40%
- Have not started - 30%
- Are in pilot/experimentation phase - 19%
- In broad adoption (multiple use cases) - 9%
- Scaled/optimized - 2%

Meanwhile, 38% of employers have implemented no AI applications whatsoever, and 36% of applicants have not used AI tools in their job search.

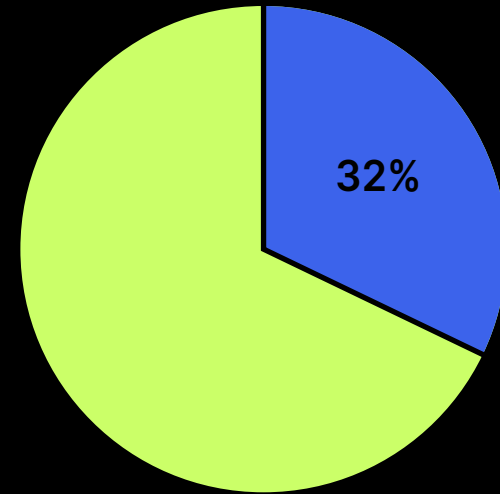
Interestingly, applicants rate their own AI understanding higher than employers do: **42% of applicants say their AI understanding is "very/somewhat strong,"** compared to only **26% of employers.**

The people applying for jobs feel more confident about AI than the people hiring them. This creates an asymmetry: candidates expect AI; employers are still figuring it out.

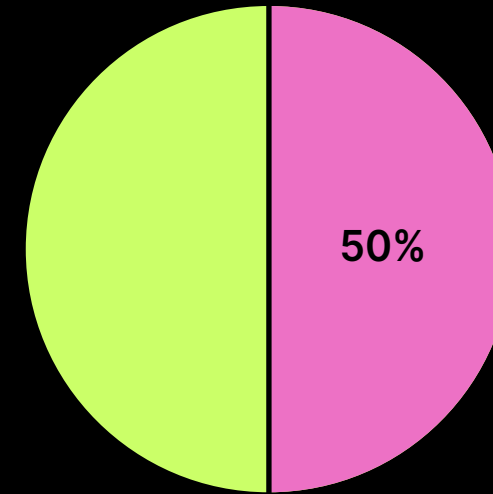
The Trust Imperative

AI's role in hiring is now part of your employer brand—whether you address it or not.

Candidate sentiment is split but not hostile:



32% of candidates are uncomfortable with AI in hiring



50% are comfortable if there are constraints
(human review, limited to early steps)

The opening is clear: **transparency creates trust**. Employers who communicate where AI is used and where humans make final decisions can convert skepticism into confidence. Those who stay silent risk being assumed guilty of whatever candidates fear most.

Given that **86% of employers already believe human oversight is extremely or very important**, this is a messaging problem, not a values problem. Say what you're already doing.



Where AI Fits in the Hiring Funnel

Based on the funnel model, here's how AI can add value at each stage:

Stage 0-1: Attract & Source

- AI-powered job ad optimization (copy, targeting, placement)
- Programmatic job distribution across channels
- Chatbots for initial candidate engagement
- Passive candidate identification from resume databases

Stage 2: Screen

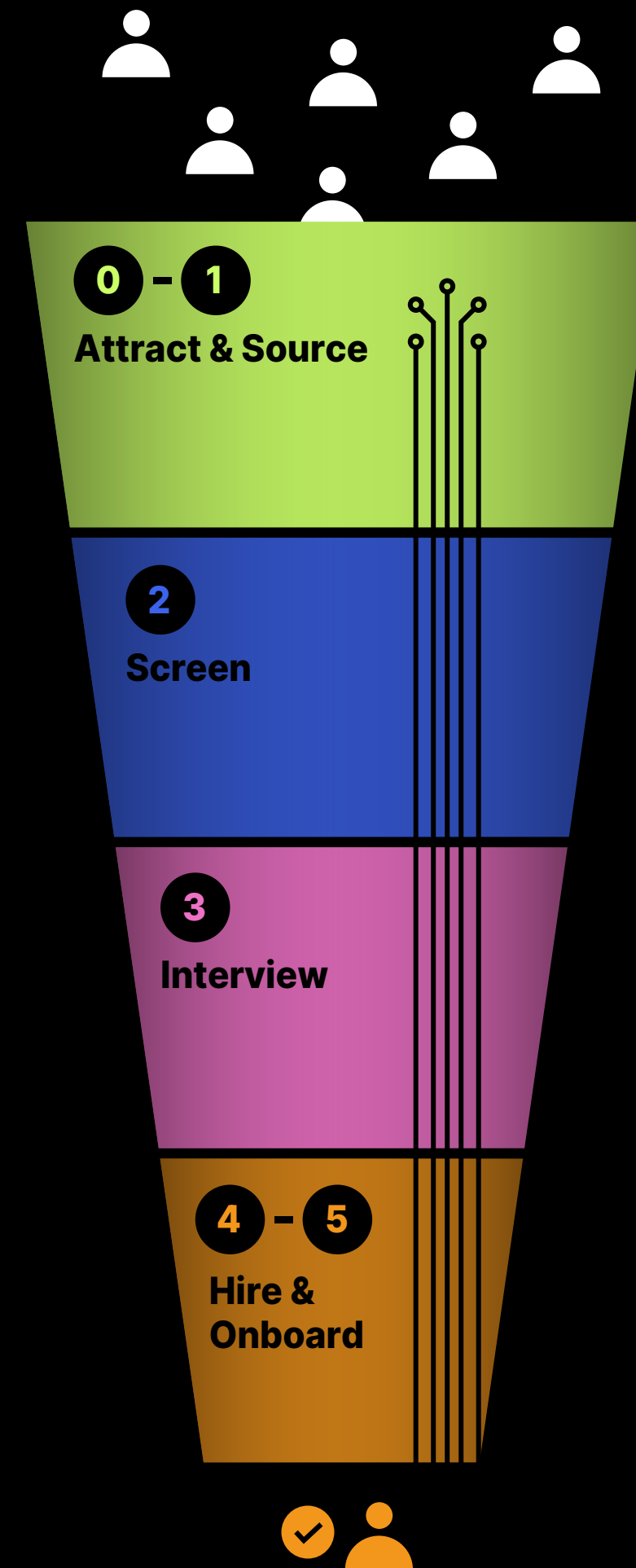
- Skills-based matching algorithms
- Resume parsing and knockout question automation
- Structured scoring to reduce bias and increase consistency

Stage 3: Interview

- Automated scheduling
- Structured interview prompt generation
- (Optional) Sentiment and engagement analysis on recorded interviews

Stage 4-5: Hire & Onboard

- Offer letter and document generation
- Onboarding workflow automation
- Early engagement nudges and check-ins





Principles for Responsible AI Adoption

Augment, don't replace.

- 1 AI handles volume and routine tasks; humans handle judgment, relationships, and final decisions.

Transparency is non-negotiable.

- 2 Tell candidates when and how AI is involved. This is both ethical and strategically smart.

Audit for bias.

- 3 AI systems can encode and amplify existing biases. Test regularly across demographic groups.

Start where friction is highest.

- 4 Don't adopt AI everywhere at once. Identify your biggest bottleneck—screening volume, scheduling logistics, response time—and solve that first.

Measure before and after.

- 5 Define success metrics upfront. Did time-to-fill improve? Did quality-to-interview ratio improve? Did retention improve?

Integrate, don't bolt on.

- 6 AI works best when embedded in existing workflows, not layered on top as a separate system.



■ The Three-to-Five-Year Window

AI-driven displacement is creating an unprecedented opportunity—a surge of talented, educated workers seeking stability that industries like automotive, hospitality, and long-term care can provide. But the window is finite.

Over the next three to five years:

- Displaced knowledge workers will resettle into new industries
- Early-mover employers will build their teams while talent is available
- Late movers will face the same shortages with less excuse
- Organizations that deploy AI thoughtfully will gain durable competitive advantages

The organizations that win will be those that:

- Reposition their industries as destinations, not defaults
- Communicate stability, compensation, and growth early and often
- Fix process problems masquerading as skills gaps
- Adopt AI as an augmentation tool with human oversight
- Measure outcomes, not just activity

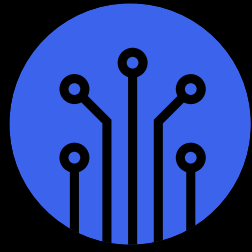


The Takeaway

AI adoption in hiring is early and that's actually good news—it means there's still time to get it right. The path forward requires transparency with candidates, discipline in implementation, and a focus on outcomes over novelty. The talent is available. The question is whether you'll move before the window closes.

How Hireology Approaches AI: Every AI-assisted capability in Hireology's platform is built around the principles in this section: AI handles volume and routing; humans make the decisions that matter.

Candidates are never assessed, ranked, or eliminated by a system acting alone. We tell you where AI is involved and where it isn't — because 86% of employers already believe human oversight is critical, and candidates are increasingly reading silence on AI as a red flag. This isn't a limitation. It's the right way to build.



Conclusion: The Opportunity in Front of Us

The hiring landscape is transforming. Knowledge work—once the safe path—faces AI-driven disruption, while skilled labor and frontline roles offer the stability that job seekers increasingly crave. Employers and applicants want similar outcomes but approach them from incompatible starting points. The pressure to hire fast conflicts with the need to hire well. And AI offers genuine solutions—if deployed transparently and responsibly.

The organizations that win over the next three to five years will be those that:

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- Adopt AI as an augmentation tool with human oversight
- Measure outcomes, not just activity

The great displacement is here. It's disruptive, uncomfortable, and—for those paying attention—the greatest hiring opportunity in a generation.

Ready to Seize the Opportunity?

This research is based on Hireology's exclusive 2026 Hiring Market Study — data that exists nowhere else because we survey both sides of the hiring relationship simultaneously, across the industries that matter most to us.

If you're ready to put these insights to work — closing the perception gap, fixing process problems masquerading as skills gaps, and building hiring operations that scale — we'd like to show you how Hireology does it.

[Schedule a Demo with Hireology](#)

To talk with our team about what this data means for your specific organization.

Whether you're managing one location or 500, the conversation starts in the same place: what does great hiring look like for you, and what's getting in the way?

