

How Karat helped Compass hire more consistently around the globe

A case study with Compass

Challenge

In late 2018, Compass’s business was growing quickly. Having started as a neighborhood guide to apartment rentals in New York City, Compass was now the second-largest residential brokerage in the US. Their growth was taking off, as agents and customers loved how they made the process of buying and selling homes more seamless and efficient. As the largest asset class in the world, real estate offered Compass tremendous growth potential and the company began accelerating their growth plans.

It became readily apparent to their CTO, Joseph Sirosh, that their engineering bandwidth was going to be pressured from two directions. “The market for tech talent was already constrained,” said Sirosh, “and as my leadership team worked through our hiring and product plans, we saw that we would have even harder trade-offs to make between the time it takes to interview and hire effectively, and the time we needed to build great products.”

To support the hiring targets Sirosh had to meet, Margaret Smith, Compass’s Global Head of Talent, had her own challenges to address. It isn’t enough to just meet hiring targets from a volume perspective -- she knew that they had to hire the right software engineers. “Our hiring quality was inconsistent, because it’s such a time sink to add interviewers every month as your volume increases”, she said. “We were constantly training new people to interview and the disparity in approaches made it really difficult to measure the impact of our efforts.”

Sirosh knew of Karat through a former colleague, and reached out to learn more about how they could help Compass by providing technical interviewing bandwidth and a more consistent approach to interviewing. He was immediately intrigued and saw the potential for his team to reclaim valuable time they needed to accelerate their product innovation.

“Quite frankly, we had hiring targets I wasn’t sure we could hit. Every hire was critically important to our product goals, and getting to each of those hires took a lot of engineering time away from working on the product. We needed Karat’s interviewing capacity and speed, and I knew their consistent approach would help us make better hires.”

Joseph Sirosh CTO, Compass

Case study in brief

▲ CHALLENGE

Compass was growing quickly, and they were balancing meeting aggressive hiring targets with innovating their product

👁 SOLUTION

Karat conducts technical interviews on behalf of Compass. It provides analytics, insights, and detailed recommendations to increase hiring yield across all roles.

▮ RESULTS

25,000 engineering hours saved

6 days average time to interview

90% candidates with positive experience

Solution

Before Karat could begin conducting interviews for Compass, they needed to better understand the competencies and skill levels that Sirosh and his team required, and the technical hiring bar that Compass needed candidates to meet. This process, called Alignment Engineering, supports getting the best onsite-to-offer ratios by calibrating Karat's recommendations to the specific criteria and bar Compass has for each role. Doing this up front gave Compass the confidence that they were advancing the right candidates to the next round. So when Karat's interviews began, their capacity and consistency quickly gave precious product development time back to Compass's engineering team, while delivering stronger on-site candidates.

It was also critical for Karat to understand Compass's hiring funnel and their goals for key metrics. As Smith had seen, the inconsistency of Compass's technical interviewing practices and outputs made it difficult to measure their success throughout the hiring process. "I worked closely with Karat's account team from the start", she said. "We integrated their data into our ATS which was a game-changer in helping us understand what was working and what wasn't. And Karat's account support was phenomenal. They were with us every step of the way, and had a lot of great insights about best practices."

As Compass's growth continued to accelerate, so did their partnership with Karat as more of their engineering teams adopted the solution. When it came time for Sirosh and his team to open a development center in India, he and Smith were focused on keeping the hiring bar there consistent with their existing teams. "This added another dimension to the value of Karat's data", said Smith. "Because their process is so consistent, their data gave us tremendous confidence that our hiring efforts in all locations were meeting the bar." There was another unexpected benefit of Karat, as well. Because Karat conducts technical interviews 24/7, they were able to support Compass's candidates and recruiting teams with around-the-clock support while keeping hiring moving forward.

The two companies are working closer together than ever as Compass has continued to rapidly grow. With offices and development centers in multiple countries around the globe, Compass regularly receives detailed analysis of their hiring funnel metrics from Karat, along with market insights that inform their strategic talent decisions. Talent benchmarking, sourcing insights, and consistency of on-site interview decision criteria are just some of the areas where Karat's data has been highly beneficial.

"It can be hard at times to know how you're benchmarking against others who are competing for the same talent," said Smith. "We didn't have access to all the data we needed until we started working with Karat. My team has found their data and support to be invaluable.

Margaret Smith Global Head of Talent, Compass

Results

Karat has conducted over 7,000 interviews on Compass's behalf as of October 2021, which has saved their engineering team over 25,000 software engineering hours. Yet while Compass initially reached out to reclaim engineering time so product growth would continue to power business growth, they quickly saw so many other benefits.

“I can’t say enough about Karat’s consistency and the clarity we get from their recommendations,” said Sirosh. “We have a much deeper understanding of our candidates, in such a structured way, and we’re able to make the most of the time engineers spend interviewing candidates when they come on-site.”

Joseph Sirosh CTO, Compass

Sirosh and his team continue to partner with Karat as they look ahead to more aggressive growth plans for Compass. There are three key reasons for this -- the time savings, the quality of the recommendations, and the increased speed of quality hiring.

Karat saves Compass time in three ways:

- **First, Karat interviews 24/7 to accelerate hiring velocity.** Candidates can choose the day and time that works for them to interview with Karat’s global network of Interview Engineers. This is more important than ever as companies welcome more remote employees and broaden their sourcing footprints. Compass can now engage a more diverse set of candidates without a dependency on the availability of their engineers, so hiring is always moving forward. Karat also supports candidates around the clock, which reduces operational overhead for recruiting teams and increases responsiveness for candidates.
- **Second, Karat interviews are consistent.** Because Karat’s technical interview is highly-calibrated, professional, and consistent, Compass saves time they would otherwise spend continuously training their own team to conduct better technical interviews.
- **Finally, Karat interviews provide accurate recommendations.** Karat’s recommendation system has been so closely calibrated to Compass’s specific technical hiring bar, their engineering team has the confidence that every candidate they ultimately interview will meet their minimum requirements. After they started using Karat, the number of candidates who went onsite was roughly half what it was before.

In addition to the time savings, the depth of the Karat recommendations lead to a stronger signal, so Compass makes more informed choices about who to bring onsite. In addition to the top-level recommendation, Karat provides insights into the components of the interview from technical knowledge to coding ability. And as Compass’s global footprint keeps expanding, they’re able to benchmark hiring across each of their locations, while consistently meeting the hiring expectations the engineering team has set.

Karat has reduced Compass’s average time from inviting a candidate to publishing the technical interview recommendation by 50%, while optimizing the pass-through rates of candidates to on-site interviews. Compass candidates have consistently rated Karat’s experience as positive, and they continue to receive 24/7 interviews and support in all locations. And as Sirosh and Smith look to their next business milestones, they intend to continue partnering with Karat to meet their hiring targets.

“Karat is an immensely valuable solution that has brought scalability and consistency in our engineering recruiting process... That has been absolutely critical for us over the last three years, and what will hopefully be many years to come with some aggressive growth plans ahead.”

Margaret Smith Global Head of Talent, Compass

Karat and Compass partnership by the numbers



Over 200 Compass engineering hires made in India



6 days average time to technical interview recommendation



Over 25,000 engineering hours reclaimed



90% of Compass candidates rate the experience as positive

ABOUT COMPASS

Compass is building the first modern real estate platform, pairing the industry's top talent with technology to make the search and sell experience intelligent and seamless. To lead the industry requires the smartest tools built by the brightest minds across engineering, design, and strategy. Through their proprietary platform, Compass is changing how agents and clients navigate the process of finding or selling a home.

ABOUT KARAT

Karat created the world's first Interviewing Cloud to solve the multi-decade global shortage of software engineers. The Interviewing Cloud is an always-on, scalable, and consistent human + tech solution for conducting predictive, fair, and enjoyable technical interviews 24/7. Karat's global network of Interview Engineers, unparalleled market intelligence, and purpose-built interviewing infrastructure opens the pipeline for engineering talent, limits pedigree bias, and provides access for underrepresented candidates. The fastest growing and largest enterprises such as Roblox, American Express, Intuit, Compass, and Wayfair trust Karat to expand hiring capacity, unlock developer time, and raise engineering quality so they can innovate and grow.

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