

# How Wayfair improved hiring efficiency with Karat's Interviewing Cloud

A case study with Wayfair

## Challenge

In 2018, Wayfair experienced tremendous growth as they expanded their market footprint, broadened their product offerings, and had built an increasingly loyal customer base driving a higher rate of repeat purchases. As the company eyed their next growth targets, the head of engineering saw one thing clearly -- they had to quickly build out the technology needed to accelerate this growth.

To accomplish this, Wayfair needed to hire engineers at a greater scale, which presented a significant challenge. Their current engineering teams needed to focus on shipping code to keep up with customer demand and growth targets. Taking time away from that work to conduct technical interviews caused significant delays.

Jonathan Kehoe had recently joined Wayfair as the Head of Technical Recruiting, with the objective of building a recruiting engine that would meet their technical hiring targets while building higher-level, higher-quality teams.

**“This was a daunting challenge to walk into. With significant market shortages of engineers across the industry, getting enough candidates in the pipeline to fill our needs was challenging. Combined with not having enough engineers in-house to adequately assess most candidates, our modeling revealed it would take far too long to hit our hiring targets. That was time we just didn't have.”**

**Jonathan Kehoe**, Head of Technical Recruiting, Wayfair

Kehoe needed two key things – increased technical interviewing bandwidth, and the ability to consistently and accurately assess candidates' technical skills. A colleague of his connected him to Karat, because of their ability to conduct technical interviews consistently at scale. After learning more, Kehoe and his team decided to partner with Karat to help meet their hiring goals.

## Case study in brief

### ▲ CHALLENGE

Wayfair was up-leveling their engineering organization while building new product infrastructure, which required more interviewing capacity, consistency, and predictiveness than they had on their own.

### 👁 SOLUTION

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

### ▮ RESULTS

14,000+ interviews conducted, 28,000+ engineering hours reclaimed

375 total hires

23% YoY improvement in onsite-to-offer ratio

19% improvement in technical interview passthrough rate

## Solution

Before Karat began conducting technical interviews for Wayfair, the two teams worked closely together to identify the competencies and skill levels that Wayfair's engineering organization required, along with Wayfair's technical hiring bar for each role. Aligning Karat's recommendations to Wayfair's hiring bar improved onsite-to-offer ratios and increased Wayfair's confidence that they would advance the right candidates to the next round.

The initial scope of the work focused on Wayfair's Storefront Technology team -- 350 interviews for front-end engineers. Karat quickly calibrated candidate recommendations that were highly predictive of who would ultimately receive offers. Karat and Wayfair then partnered to validate the recommendations against data from Wayfair's on-site interviews. Wayfair saved considerable engineering time as they increased the quality of their teams, but they still needed to hire more engineers faster.

Kehoe realized that one result of raising Wayfair's hiring bar was that fewer candidates were advancing to onsite interviews. Kehoe and his team integrated Karat's data with their ATS data to identify and optimize the strengths in their sourcing strategy.

**“That was such a big learning. The power of Wayfair's and Karat's data together really was powerful. We see our sourcing strategy in a new light now that we clearly see what is working and what isn't. Once we made adjustments based on which candidates were ultimately hired, our whole hiring process really took off.”**

**Jonathan Kehoe**, Head of Technical Recruiting, Wayfair

Wayfair's engineering team also realized significant benefits working with Karat, including the ability to devote more time to building products. Wayfair's confidence in accelerating their product development while achieving their hiring goals increased every month they worked with Karat, and their engineers were more focused on core work than ever.

## Results

Karat conducted over 14,000 interviews on Wayfair's behalf as of January 2022, which helped their engineering team reclaim over 28,000 software engineering hours back to product work. While Kehoe initially reached out to leverage Karat's interviewing capacity and meet hiring targets, they also achieved several other benefits.

Building on the insights Kehoe and his team gained into their sourcing strategy, they applied the Wayfair and Karat data to other parts of their technical hiring process. Karat's insights have helped Wayfair make critical talent strategy decisions, including whether to centralize hiring for some or all roles, how to increase the consistency of their leveling, and whether and where to open new offices.

“We can never get enough information about how our results compare to others” Kehoe said. “Are there sources of talent we're missing, are we saying 'yes' or 'no' to candidates we should be saying 'yes' or 'no' to? I have significantly more confidence now than I did three years ago that we're making effective decisions throughout our hiring process. And my team is more confident that in such a dynamic talent market, the things we're testing have a higher probability of paying off.”

**“The perspective we get from Karat is unmatched.”**

**Jonathan Kehoe**, Head of Technical Recruiting, Wayfair

The partnership between the companies has expanded considerably, and Karat now supports Wayfair's centralized hiring model with a much broader scope and for more senior roles. Kehoe and his team continue to work closely with Karat as Wayfair keeps growing and innovating, and he cites three reasons for this -- the time savings, the quality of the recommendations, and their increased yield of quality hires in a competitive talent market.

## Karat saves Wayfair time in three ways

**First, Karat interviews 24/7 to accelerate hiring velocity.** Candidates interview with Karat's global network of Interview Engineers, so they can choose the day and time that's best for them. This is increasingly important as companies welcome more remote employees, and Wayfair now engages a more diverse set of candidates without a dependency on their engineers' availability, so hiring is always moving forward. Karat also provides live support for candidates around the clock, which reduces operational overhead for recruiting teams and increases responsiveness to candidates.

**Second, Karat's interviews are consistent.** Because Karat's technical interviews are highly-calibrated, professional, and consistent, Wayfair saves time they would otherwise spend continuously training their own team to conduct better technical interviews.

**Third, Karat interviews provide accurate recommendations.** Because Karat's recommendation system has been so closely calibrated to Wayfair's specific technical hiring bar, their engineering team has the confidence that every candidate they ultimately interview will meet their minimum requirements.

In addition to time savings, the depth of the Karat recommendations lead to a stronger hiring signal, so Wayfair 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. "Having four tiers of recommendations helps us prioritize who to move to the next round, and seeing the components of the assessed skills broken down gives the team focus on where to further evaluate during that final round," said Kehoe.

**"Karat's recommendations are so multi-faceted, they help us understand candidates more thoroughly than we would otherwise."**

**Jonathan Kehoe**, Head of Technical Recruiting, Wayfair

Karat's Redo interview was also a game-changer for Wayfair. Karat offers Wayfair's candidates the ability to redo an interview, which has increased their hiring yield without needing additional sourcing. Redos have been very efficient for Wayfair, with 31% of their candidates completing redo interviews, leading to 108 hires from this group alone.

**"I had a redo interview, because I felt I could do better than I did in the first interview. That was exactly what happened: my second interview was much better, and I felt I was able to demonstrate my skills properly."**

**Wayfair candidate**

Wayfair continues to grow at a rapid pace and is continually focused on raising their hiring bar, so the imperative to hire quickly without sacrificing quality remains. With their improved sourcing strategy, Wayfair's pass-through rate of candidates from Karat interviews to final rounds has increased 19% over the past two years, and Karat continues to publish interview results for Wayfair within a week after the candidate is invited to interview.

Kehoe sees the partnership between Wayfair and Karat continuing well into the future. As he said, "There is no way we could do what Karat does as well as they do it. No one here wants to go back to the old way."

### Karat and Wayfair partnership by the numbers



14,000+ interviews conducted, 28,000+ engineering hours reclaimed



375 total hires; 108 from Redo interviews



23% YoY improvement in onsite-to-offer ratio



19% improvement in technical interview passthrough rate to on-site round

#### ABOUT WAYFAIR

Wayfair is the destination for all things home: helping everyone, anywhere create their feeling of home. From expert customer service, to the development of tools that make the shopping process easier, to carrying one of the widest and deepest selections of items for every space, style, and budget, Wayfair gives everyone the power to create spaces that are just right for them.

#### 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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