Survey: Despite Extended Vacancies, Only 38 Percent of Employers Continuously Recruit

- -One in five employers with current openings available cite revenue loss due to extended vacancies
- -Companies who continuously recruit report shorter time to hire
- -Experts at Kelly Services® share continuous recruitment advice

CHICAGO - March 11, 2014 - Despite growing concerns over skills gaps and challenges posed by extended vacancies, only 38 percent of employers continuously recruit throughout the year for positions that may open up down the line, according to a new CareerBuilder survey.

The national survey was conducted online by Harris Poll from November 6 to December 2, 2013, and included a representative sample of 2,201 hiring managers and human resources professionals across industries and company sizes.

Is building a talent pipeline worth it?

Among HR managers who don't continuously recruit, the primary inhibitor is time (46 percent). Cost is only a prohibitive factor to 29 percent of this group.

Kelly Kudola, Americas recruiting manager for <u>Kelly Services</u>, a leader in providing workforce solutions, told CareerBuilder that lack of time shouldn't stand in the way of continuous recruitment.

"Pipeline management and proactive recruiting will only save time in the back end," she said. "There are so many more resources used in the reactive interviewing and screening process that our recruiters don't have the time not to continuously recruit."

Kelly Services uses CareerBuilder's Talent Network solution as part of its continuous recruitment strategy, allowing prospective candidates to easily complete a profile and submit a resume regardless if there is an immediate opening suiting their skills and experience. Businesses often use the tool as a supplement to an internal career site and as a way to engage with prospective candidates before positions open.

Sixty-five percent of a subset of human resources managers who continuously recruit say the tactic shortened their time to hire; 54 percent said it lowered their cost per hire.

Bottom-Line impact of extended vacancies

Among a subset of employers who currently have open positions for which they cannot find qualified candidates, a vacancy will often take months to fill. Eighty-three percent of employers who currently have unfilled slots say vacancies remain open for two months or longer on average. More than one in five (22 percent) say those vacancies go unfilled for six months or longer on average.

"Extended vacancies hurt companies' ability to grow, maintain productivity and keep existing employees engaged. One solution is to anticipate turnover in high-skilled positions and compile a network of able candidates waiting in the wings," said Rosemary Haefner, vice president of human resources at CareerBuilder. "While it takes an investment, companies that continuously recruit and build a pipeline of talent are able to significantly reduce their cost and time to hire."

The cost of extended vacancies can be very harmful to their companies' performance.²

- Lower morale due to employees shouldering heavier workloads 41 percent
- Work does not get done 40 percent
- Delays in delivery times 34 percent
- Declines in customer service 30 percent
- Lower quality of work due to employees being overworked 30 percent
- Employees are less motivated 29 percent
- Loss in revenue 25 percent
- Employees making more mistakes resulting in lower quality of work 25 percent

• Higher turnover because employees are overworked - 22 percent

 1,2 CareerBuilder commissioned study, conducted online by Harris Poll, on the effects of the skills gap on the U.S. labor market, October-November 2013

Evaluating Continuous Recruitment Options

Josie Huber, director of recruiting business solutions at Kelly Services, advises employers to adopt a pipelining strategy that best utilizes the organization's resources.

"Start small - you can't pipeline for every position so focus on areas where you have a regular need for talent," she said, noting that staffing organizations like Kelly are often an ideal access-point to relevant talent networks. "Do you staff up the whole HR organization internally or do you outsource to an organization whose core competency is to build and maintain pipelines?"

Kudola also notes that recruiters and hiring managers should be candid with job seekers about networking for positions that aren't yet open.

"We want to be respectful of the fact that job seekers are likely in need of a position as soon as possible. So if we are interviewing a candidate for a pipeline, it's important that we are very clear about the process and what they can expect. There may not be an immediate placement, but as part of our network, we want to position them as the person who gets the next opportunity."

For more information about the Kelly Services Talent Network, visit: http://kellyservices.jobs.net/

Survey Methodology

This survey was conducted online within the U.S. by Harris Poll on behalf of CareerBuilder among 2,201 hiring managers and human resource professionals between November 6 and December 2, 2013 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 2,201, one could say with a 95 percent probability that the overall results have a sampling error of +/-2.09 percentage points. Sampling error for data from sub-samples is higher and varies.

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