

Online Job Boards Lead Recruiting Tools in Utilization, According to Inavero Institute's Latest Hiring Manager Study

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Online job boards are the most often utilized recruiting tool for hiring managers at small and mid-sized organizations, according to a recent study by the Inavero Institute for Service Research, a leading provider of employment related research tools. The study titled "2008 Study of Recruiting Practices -- Insight from the Nation's Hiring Managers," conducted in June 2008, included more than 1,000 hiring experiences throughout the United States in a variety of industries.

More than 50% of those surveyed had implemented online job boards as a part of their recruiting strategy in the past year and allocation of overall recruiting budget was found to be continuing a shift to online job boards and other less traditional media.

That doesn't mean that traditional media is dead. Far from it, in fact. Local newspapers remain a leading recruiting tool, with 47% of hiring managers employing the medium during the past 12 months.

Online job board utilization surpasses traditional media

Online job boards are currently the top hiring tool in terms of utilization. While traditional media (newspapers, television, and radio) are highly implemented recruiting tools, online job boards surpassed them as the leading tool with more than half of the study respondents indicating they had utilized an online job board in the past 12 months.

Recruiters report applying multiple resources as part of their hiring portfolio and average three resources per open position. The study found the different recruiting tools to be applied for very different types of job searches. For example, local newspapers were most often used to attract hourly, blue-collar employees, with a salary range of \$30,000 or less, while professionals who require a higher salary are more commonly found through referrals and online job boards.

The differences are significant for salaried and hourly recruiting scenarios as well, with hiring managers utilizing newspapers 75% of the time when recruiting hourly employees. In contrast, 72% of salaried employee recruiting situations involved an online job board as part of their search strategy.

Local newspapers are employed 55% of the time when recruiting blue-collar workers and lead to the most job hires, but referrals, a company's website and online job boards are also applied in many blue-collar hiring situations. Online job boards are utilized in 40% of recruiting situations involving blue-collar positions (general and skilled labor, manufacturing, etc.) -- dispelling the myth that their efficacy only translates to white collar, professional job candidates.

The principle tool used to recruit white-collar, full-time jobs is online job boards; helping 68% of hiring managers locate prospective employees. Referrals and the company's website were also often managed to fill these positions.

Cost per hire

Online job boards prove to be the most lucrative hiring tool available. Traditional media costs 500% more for the average job hire and referrals are nearly double compared to online job boards. The average expense per job candidate hired is \$291 utilizing online job boards. More and more recruiters are realizing the cost savings in online job boards and the percentage of recruiting budgets that is spent on national and local online job boards is expected to increase in 2009, compared to 2008.

Quality of candidates -- trusting personal and professional referrals

Nothing beats the referral! Referrals are the most trusted recruiting tool and produce the highest quality job candidates, receiving an average score of 8.0 (out of 10) and 41% of respondents rated the quality of candidates from a referral a 9 or 10. Nearly 46% of white-collar jobs are filled this way.

Generating applications and conducting interviews -- a timely process

The Inavero study found a significant relationship between the salary of the position being filled and the length of time needed to find a suitable candidate. Positions with annual salary levels of \$60,000 or higher require

significantly more time to fill than lower salary positions. More than 20% of positions at this level require 8 weeks or longer to fill compared to only 9% when the position offers a salary of less than \$60,000. The length of time also increases significantly based on the type of position, with white collar positions typically being more difficult to fill, and taking considerably more time.

Online job boards produce the greatest number of applicants with 19 applications per job opening, nearly double traditional media's average of 11 applications. Referrals yield only 3.3 applicants, on average, yet 22% of all open positions are filled through referrals, illustrating again the quality of candidates generated through personal and professional networks.

Out of the online job boards, Careerbuilder.com yields the highest number of applications received for all job types with a median of 22 applications per job.

While online job boards lead the available options in generating applications, industry/regional job fairs led to the highest number of candidates interviewed, averaging 5.2 interviews per situation when they were included in a candidate search. Interestingly, only 4% of recruiters eventually hired the candidates from the industry/job fair while 12% of the hires were generated through online job boards.

The study's findings suggest that while there are multitudes of hiring tools available, it is critical to choose the appropriate medium based on job description and job type in order to yield the highest quality candidate and save valuable time and resources throughout the hiring process. While traditional media continues to be utilized there is also a clear trend towards job boards and other nontraditional media in the budget mix of hiring managers. Effectively designing and executing a recruiting strategy that includes both traditional and online resources is critical to reaching and appealing to qualified job applicants. To download the study's findings please visit <http://www.inavero.com/recruiter>.

Methodology

This survey(1) was conducted online within the U.S. by the Inavero Institute for Service Research among 408 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions). These professionals discussed 1,062 hiring experiences and the study was conducted between June 17 and June 26, 2008. The focus of the study was on those with recruiting responsibility at small and mid-sized organizations, ranging from 20 to 5,000 employees. The recruiting tools ranged from traditional media, staffing firms, government agencies, referrals to online job boards and social networks. This study employed a confidence level at 95 percent probability with a sampling error of +/- 4.8 percentage points respectively.

About the Inavero Institute for Service Research

The Inavero Institute for Service Research is a leading provider of client and employee feedback systems for professional service firms. The firm's feedback systems have been used in eight countries and more than 300 professional service firm locations throughout North America. Inavero professionals analyze feedback from more than 25,000 professional service firm clients and employees annually, and have published numerous articles on the subjects of client and employee retention.

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(1) This survey was commissioned by Careerbuilder.com

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