



Annual survey report 2008

# Recruitment, retention and turnover

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# Summary of key findings

The 2008 *Recruitment, Retention and Turnover* survey contains information on current and emerging trends in people resourcing practice. This annual benchmarking survey is based on 779 respondent organisations from the UK and relates to the period 1 January to 31 December 2007. Web 2.0 and checking candidate applications are the two areas that we've chosen to focus on in more detail this year.

Focus groups comprising members of the CIPD's Recruitment Forum contributed to the analysis of the survey findings. Some of the commentary in this survey report draws on the focus group members' thoughts and experiences.

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## Resourcing strategies and objectives

- Only half of the survey participants report having a formal resourcing strategy.
- Eight in ten respondents cite attracting and recruiting key staff to the organisation as the main objective of their resourcing activities. Enabling the achievement of the organisation's strategic goals (58%) and meeting future skills requirements (46%) are the second and third most important resourcing objectives according to survey participants.
- These results are very similar to last year.

## Recruitment difficulties

- Employers' recruitment intentions have remained stable, with the average number of vacancies respondents sought to fill in 2007 being 270 (compared with 263 in 2006).
- A high proportion of these organisations still experience recruitment difficulties (86%).
- The key reasons for recruitment difficulties, similar to last year, are a lack of necessary specialist skills in candidates (70%), followed by higher pay expectations (44%) and insufficient experience of candidates (42%).
- Appointing people who have the potential to grow but who currently don't have all that's required is the most frequently used initiative to overcome recruitment difficulties (75%).

- Recruitment initiatives having a positive impact on tackling recruitment difficulties include: providing additional training to allow internal staff to fill posts (75%), providing a realistic job preview (72%) and using the employer brand as a recruitment tool (71%).
- Just 32% of organisations say they make use of talent banks (ready candidate details saved electronically) before looking to recruit externally.

## Attracting and selecting candidates

- Recruitment agencies (78%) followed by using the company's own corporate website (75%) and local newspaper advertisements (74%) are the most common methods being used to attract candidates.
- The most frequently used selection methods include: interviews based on the contents of the CV/application form (72%), followed by competency-based interviews (65%).
- The average recruitment cost of filling a vacancy per employee is £4,667, increasing to £5,800 when organisations are also calculating the associated labour turnover costs.

### Checking candidate applications

- Almost nine in ten organisations take up candidate references mostly or always.
- The pre-employment checks most often carried out by organisations include: most recent employment history followed by absence records, with 85% and 64% respectively mostly or always carrying these out.
- A quarter of organisations report withdrawing job offers during 2007 because a candidate lied or misrepresented their application.
- The quality of references and the extent to which references are seen to confirm information provided in a candidate's application was mixed. Half of organisations say references are very effective/fairly effective, with the other half saying they are neither effective nor ineffective/fairly ineffective/very ineffective.

### Web 2.0 and recruitment

- More than eight out of ten respondents reported that they don't use Web 2.0 technology to attract or recruit employees. Most (71%) don't plan to start using such technology in the next year.
- Of those 50 organisations who reported using Web 2.0 technology to attract or recruit employees, the social networking sites they use include LinkedIn (62%), Facebook (58%) and MySpace (10%).
- Just over half the organisations that plan to start using Web 2.0 methods to attract or recruit employees will target graduates (51%), followed by managers and professionals (46%).
- It is encouraging to see that 85% of organisations reported that they do not use social networking sites to vet candidates during the recruitment process.
- Over half of the 100 CIPD members who answered the section on Web 2.0 believe the following about its value:
  - From an employer branding perspective, they are concerned about damaging comments about the organisation being posted on social networking sites and blogs (62% agree/strongly agree).
  - Social networking sites are useful for engaging potential job-seekers (56%).
  - Web 2.0 offers organisations the ability to learn about how they are perceived in the labour market (52%).

### Diversity

- Overall, just over half of those organisations surveyed have a formal diversity strategy (55%). Public service employers seem to be much more diverse-conscious, with 84% of them adopting a strategic approach to diversity.
- This year slightly more employers are monitoring recruitment and information on the diversity of their staff (83%).

### Labour turnover

- The 2007 labour turnover rate of 17.3% is slightly lower than last year (18.1%).
- The private sector reports the highest labour turnover rates (20.4%). The hotel, catering and leisure industry remains the sector with the highest level of labour turnover, with the 'all leavers' finding in this category being 41%. This reflects an 8.4% increase in turnover rate compared with last year, bringing the figures back to the levels of 2005 (42.5%).
- Over 70% of employers believe employees' departure from the organisation has a negative effect on business performance.
- Change of career is deemed to be the most common cause of voluntary turnover (55%). Other reasons include promotion outside the organisation (45%), level of pay (41%) and lack of career development opportunities (33%).
- Twenty-two per cent of respondents have made ten or more redundancies, and 21% have used recruitment freezes during 2007.

### Employee retention

- Overall, organisations reported having the same level of employee retention difficulties as last year – 80%, compared with 78% in 2006. This high level of retention difficulties is reported across all industry sectors. Senior managers/directors remain the least difficult to retain, with 7% retention difficulties reported by respondents. Across the rest of the occupations, the same level of retention difficulties were reported, ranging from 20–36%.
- The most frequently cited actions taken by organisations to address retention is increasing pay (53%), increasing learning and development opportunities (46%), as well as improving selection techniques in the first place (46%).

# Recruiting employees

This section explores the nature and scale of recruitment activity taking place within CIPD member UK organisations during 2007. As well as reporting on the challenges that resourcing professionals faced over the last year, it taps into employers' use of initiatives to overcome recruitment difficulties. It also includes information on the trends and changes in attraction and selection methods, diversity issues, and reports on the time and costs of recruitment and labour turnover.

## Resourcing strategies and objectives

Table 1 shows that only half of those organisations surveyed have a formal resourcing strategy in place (50%). This is not much change on the previous year (51%). These findings continue to be surprising, given that eight in ten employers rank attracting and recruiting key staff to the organisation in their top three resourcing objectives (Figure 1).

Other resourcing priorities reported include enabling the achievement of the organisation's strategic goals (58%) and planning to meet the future skills requirements of the organisation (46%).

## Recruitment difficulties

Table 2 shows, by industry sector, the average number of vacancies respondents sought to fill. Employers' recruitment intentions have remained stable, with 270 being the average number of vacancies respondents sought to fill (compared with 263 in 2006). However, in 2007 the public services sector reduced its search for staff by over 50%.

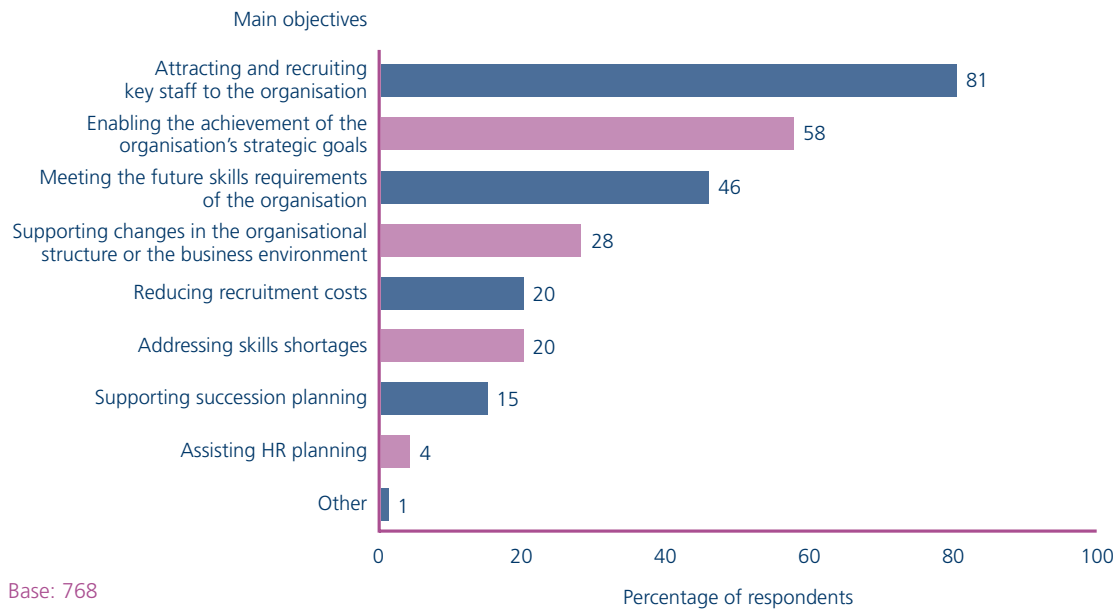
Eighty-six per cent of organisations reported that they are experiencing difficulties recruiting for one or more category of vacancy. This number has remained stable over the past 12 months (see Table 3 for a breakdown by industry sector).

Table 1: Organisations with formal resourcing strategies in place, by sector and size (%)

All	50
<b>Sector</b>	
Private sector services	54
Manufacturing and production	50
Public services	50
Voluntary, community and not-for-profit	31
<b>Size – number of employees</b>	
Fewer than 250	36
251–500	58
501–1,000	58
1,001–5,000	59
5,001–10,000	62
10,001 or more	70

Base: 382

Figure 1: Main objectives of resourcing activities (respondents were restricted to selecting a maximum of three objectives)



Recruitment difficulties remained stable across different-sized organisations, remaining relatively high (Table 4).

Focus group ad hoc feedback gathered from an organisation in the voluntary, community and not-for-profit sector highlighted that it is currently very much a

'candidates' market'. Good candidates have multiple offers and therefore have higher expectations. As a result organisations have to speed up the recruitment process so as not to lose these good candidates as well as review their reward offering to ensure they secure the best candidate for the job in such competitive times.

Table 2: Average number of vacancies respondents tried to fill during 2007, by industry sector (mean scores)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
2008 survey	270	91	94	380	315
2007 survey	263	112	64	227	671
2006 survey	381	77	147	479	683

Base: 719 (2008 survey)

Table 3: Organisations experiencing difficulties recruiting for one or more category of vacancy, by industry sector (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
2008 survey	86	89	82	86	82
2007 survey	84	86	81	86	80
2006 survey	82	80	76	81	89

Base: 757 (2008 survey)

Table 4: Organisations experiencing difficulties recruiting for one or more category of vacancy, by organisation size (%)

	Fewer than 250 employees	251–500	501–1,000	1,001–5,000	5,001–10,000	More than 10,001 employees
2008 survey	80	93	90	90	92	90
2007 survey	81	86	90	86	90	84

Base: 757 (2008 survey)

Table 5 highlights which categories of vacancy organisations are having the most difficulty recruiting for. Managers and professionals remain difficult

categories to recruit, with almost 50% of organisations reporting difficulties. Difficulties in recruiting senior managers/directors were reported by over one-quarter of organisations.

Table 5: Categories of vacancy that proved particularly difficult to fill (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
Managers and professionals	49	51	45	51	49
Senior managers/directors	27	28	23	31	26
Administrative/secretarial and technical	15	13	20	14	19
Manual/craft workers	14	27	11	9	14
Services (customer, personal, protective and sales)	13	12	12	17	4
Other	14	13	15	11	22

Base: 757

Table 6: Reasons for recruitment difficulties (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services	2007 survey
Lack of necessary specialist skills	70	79	58	69	68	65
Looking for more pay than you could offer	44	42	45	46	43	46
Insufficient experience	42	44	41	43	34	37
No applicants	27	28	34	24	41	28
Image of sector/occupation	15	11	18	14	20	16
Lack of interpersonal skills	11	12	10	14	5	13
Lack of formal qualifications	8	10	11	5	8	8
Applicants unable to accept position due to high cost of living in the area	7	7	6	7	9	7
Other	9	5	12	8	12	8

Base: 655

We also asked respondents to specify the reasons for their recruitment difficulties (Table 6). The findings were similar to our 2007 survey. The top three cited causes are lack of necessary specialist skills (70%), higher pay expectations (44%) and insufficient candidate experience (42%).

### Overcoming recruitment difficulties

In an attempt to overcome recruitment difficulties, organisations are taking a number of different approaches. Appointing people who have the potential to grow but don't currently have all that's required is the most popular initiative (75%) – although not the one with the most positive effect (65%). Initiatives reported as having a positive impact are providing additional

training to allow internal staff to fill posts (75%), providing a realistic job preview (72%) and using the employer brand as a recruitment tool (71%).

A focus group member from a large insurance company noted that 'brand attraction' is a key priority for the business when it comes to recruitment, retention and engagement of their employees. Investment in their employer brand is important to ensure their competitive edge in the candidate marketplace. With a large budget and working closely with their marketing team, the employer brand provides impressive return on investment by increasing their brand attractiveness to their target potential employees. The employer brand focus has not just been external, either; it has also fed

Table 7: Initiatives undertaken in response to recruitment difficulties (%)

	Used during 2007	Respondents saying this initiative has a...			Used during 2006
		Negative impact	Neutral impact	Positive impact	
Appointing people who have potential to grow but don't currently have all that's required	75	7	28	65	70
Taking account of a broader range of qualities, such as personal skills instead of qualifications, when considering candidates	48	3	34	64	47
Redefining the job (for example, responsibilities, grade)	43	7	39	54	35
Increasing starting salaries or benefits package	41	10	28	62	36
Bounty payments to staff for introducing candidates	37	4	32	64	28
Offering flexible working	36	3	27	70	30
Using the employer brand as a recruitment tool	33	3	26	71	31
Providing additional training to allow internal staff to fill posts	33	3	22	75	29
Changing the way work is organised (for example, into teams)	26	8	33	59	12
Attracting and recruiting boomerang hires (where employees return having left the organisation)	23	8	32	60	N/A
Providing a realistic job preview	22	1	28	72	22
Recruiting in foreign countries and bringing staff here	14	13	33	54	11
Targeting migrant workers from EU accession countries	14	11	29	61	14
Giving golden hellos (providing an incentive to take the job)	14	14	34	52	13
Offshoring	5	18	54	29	4

Base: 644 (all organisations experiencing difficulties)

into an improved orientation and 'on-boarding' programme internally.

Redefining the job was cited by 43% of organisations as an initiative used in response to recruitment difficulties. Ad hoc feedback from members in our focus groups noted that the opportunity for job redefinition depends on how flexible an organisation is. There was also discussion around how job redefinition can provide an opportunity to feed into an organisation's diversity agenda. By looking at different ways that jobs can be defined – for example looking at flexibility around hours and skill-set – a wider candidate group can be considered.

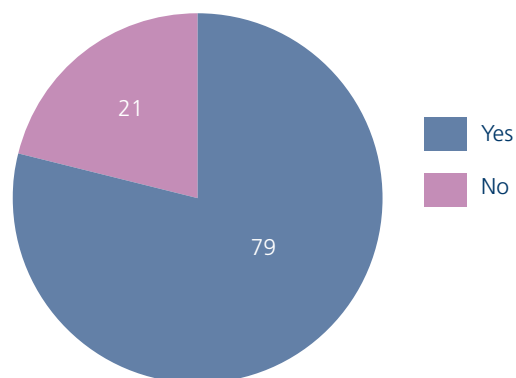
Other ad hoc information received during our focus groups with members suggested that golden hellos are becoming more frequent, particularly in the graduate market where the expectation has been set. Golden hellos are also being used to recruit specialist positions, for example social workers.

Thirty-seven per cent of organisations reported offering bounty payments to staff for introducing new candidates. Ad hoc feedback from a large insurance company that participated in our focus group reported they had saved £250,000 in recruitment costs through their 'refer a friend' scheme.

Figure 2 shows that 79% of respondents have a policy of advertising all vacancies internally. This year our survey also considered whether employers are making use of talent banks. Surprisingly, given the level of recruitment difficulties, nearly seven in ten organisations (66%) don't make use of 'ready' candidate details saved electronically before embarking on external recruitment (Figure 3).

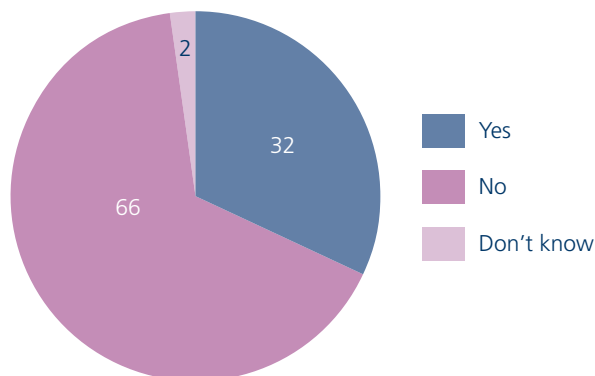
Turning our attention to graduates, Table 8 reveals that almost a quarter of surveyed organisations run structured graduate recruitment programmes (23%). Larger organisations are more likely to devise a separate recruitment programme for graduates.

Figure 2: Do you have a policy of advertising all vacancies internally? (%)



Base: 778

Figure 3: Does your organisation make use of a talent bank (ready candidate details saved electronically) before looking to recruit externally? (%)



Base: 776

Table 8: Organisations operating a structured graduate recruitment programme, by sector and by size (%)

All	23
<b>Sector</b>	
Private sector services	27
Manufacturing and production	24
Public services	24
Voluntary, community and not-for-profit	7
<b>Size – number of employees</b>	
Fewer than 250	12
251–500	22
501–1,000	24
1,001–5,000	27
5,001–10,000	51
10,001 or more	63

Base: 176

### Attracting candidates

We also enquired about the methods employers are using to attract applicants (Table 9). Recruitment agencies were ranked first, with 78% using them to attract applicants, followed by using the company's own corporate website (75%) and local newspaper advertisements (74%). Making use of specialist journals/trade press was used by 62% of respondents and just over half use apprenticeships, work placements or secondments to attract applicants.

When looking at the use of recruitment agencies within different industry sectors, almost all manufacturing and production companies make use of them (90%), 82% of private sector employers do and 71% of voluntary sector organisations. However, just over half of public sector organisations (57%) use recruitment agencies. This suggests a preference towards greater internal resourcing control.

Table 9: Methods used to attract applicants, by industry sector (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services	2007 survey
Recruitment agencies	78	90	71	82	57	73
Own corporate website	75	65	82	75	82	75
Local newspaper advertisements	74	82	86	63	82	75
Specialist journals/trade press	62	64	60	53	82	61
Employee referral scheme	47	53	20	67	12	47
Encouraging speculative applications/word of mouth	47	53	35	59	22	44
Jobcentre Plus	45	46	50	35	61	43
National newspaper advertisements	42	35	60	31	65	42
Links with schools/colleges/universities	36	34	29	36	40	32
Search consultants*	33	41	14	38	26	29
Secondments	31	19	45	26	45	N/A
Commercial job boards	25	19	22	32	21	21
Apprentices	21	37	13	14	22	N/A
Physical posters/billboards/vehicles	10	9	11	10	9	11
Radio or TV advertisements	6	7	7	5	9	6
Others	7	5	14	5	12	10

Base: 778

\* included in the recruitment agencies figure for 2007

### Selecting candidates

Interviews following contents of CV/application form (that is, biographical) are the most common selection method (72%), followed by competency-based interviews (65%) and structured interviews (panel) (56%).

Table 10: Methods used to select applicants (%) \*

	2008 survey
Interviews following contents of CV/application form (that is, biographical)	72
Competency-based interviews	65
Structured interviews (panel)	56
Tests for specific skills	48
General ability tests	41
Literacy and/or numeracy tests	40
Telephone interviews	36
Personality/aptitude questionnaires	35
Assessment centres	34
Group exercises (for example role-playing)	22
Pre-interview references (academic or employment), combined employment and academic references together	16
Online tests (selection)	15

Base: 777

\*Note that due to a change in the question methodology, 2007 and 2008 results should not be compared.

Table 11: Average number of weeks to fill a vacancy\*

Senior managers/directors	16.5 (723)
Managers/professionals	12.3 (733)
Administrative, secretarial and technical	6.7 (737)
Services (customer, personal, protective and sales)	7.4 (670)
Manual/craft workers	5.8 (642)

Number of respondents shown in brackets

\*Time from deciding there was a vacancy to the new employee's actual start date

### Time and cost to fill vacancies

We also explored how long it takes organisations to fill job vacancies, and the estimated costs associated with recruitment and labour turnover. The findings can be found in Tables 11 and 12.

As Table 12 shows, not all organisations surveyed were able to provide figures relating to the costs of recruitment and labour turnover. Although 51% of respondents report calculating recruitment costs, not all of them have supplied figures.

The average recruitment cost of filling a vacancy per employee is £4,667, increasing to £5,800 when organisations are also calculating the associated labour turnover costs.

Table 12: Estimated total cost of recruitment\* and labour turnover\*\* per employee

Occupational group	Costs of recruitment (£)	Costs of labour turnover (£)
Senior managers/directors	10,000 (211)	20,000 (15)
Managers/professionals	6,000 (271)	10,000 (17)
Administrative, secretarial and technical	2,000 (266)	6,000 (14)
Services (customer, personal, protective and sales)	2,000 (194)	4,250 (12)
Manual/craft workers	553 (136)	2,750 (12)
All employees	4,667 (303)	5,800 (21)

Median costs shown (number of respondents shown in brackets)

\* Advertising costs, agency or search fees

\*\* Vacancy cover, redundancy costs, recruitment/selection, training and induction costs

# Checking candidate applications

The role and quality of references continues to be a topic of interest for our members when it comes to recruitment. As such, a section on checking candidate applications was included in this year's survey. This topic was last explored in 2005, so the figures from 2005 are provided as a comparison.

Almost nine in ten organisations take up candidate references mostly/always (Table 13). The pre-employment checks most often carried out by

organisations include most recent employment history followed by absence records, with 85% and 64% respectively mostly/always carrying them out (Table 14).

Table 13: How often organisations take up candidate references (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services	2005 survey (Base 709)
Always	75	58	90	71	88	77
Mostly	14	22	5	15	6	13
Sometimes	5	10	2	7	3	6
Rarely	5	9	2	5	3	3
Never	1	1	–	1	1	1

Base: 777

Table 14: Frequency of pre-employment checks organisations carry out on candidate applications (%)

	Never	Rarely	Sometimes	Mostly	Always
Most recent employment history	4	4	7	16	69
Health screening (for example health questionnaire)	23	7	8	5	57
Absence records (no. days sick in last job)	20	8	11	14	50
Academic and professional qualifications	18	10	19	15	38
Full employment history	18	16	24	15	29
Pre-employment Criminal Record Bureau check	36	7	22	9	27

Base: 777

A quarter of organisations reported withdrawing job offers during 2007 because a candidate lied or misrepresented their application (Table 15).

The quality of references and the extent to which references are seen to confirm information provided in a candidate's application was mixed. Half of organisations say references are very effective or fairly effective, with the other half saying they are neither effective nor ineffective, fairly ineffective or very ineffective (Table 16).

Table 15: Withdrawn job offers during 2007 because someone lied or misrepresented their application (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services	2005 survey (Base 708)
Yes	25	14	28	26	31	25
No	65	76	63	66	52	75
Don't know	10	10	10	8	17	–

Base: 770

Table 16: Extent to which references are seen to confirm information provided in candidates' applications (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
Very effective	7	7	10	8	8
Fairly effective	43	42	45	41	43
Neither effective nor ineffective	23	28	19	23	22
Fairly ineffective	21	19	23	22	22
Very ineffective	5	3	3	5	6

Base: 771

# Web 2.0 and recruitment

## Background

Web 2.0 can be described as a perceived or proposed second generation of the web. This is where the web has evolved and improved over time and now allows people to contribute freely and interact, rather than simply read and accept information. This can best be demonstrated through services like blogs and social networking sites, for example Facebook.

The last year has seen a boom in the discussion of social networking and its use within business generally, and within HR specifically. There are opportunities as well as challenges that need to be considered when it comes to this new technology.

Through the richness of multimedia, Web 2.0 technology provides an opportunity to bring the employer brand to life and create experiences online that allow potential employees to experience what it is like to work within the organisation.

Using technology like Facebook or Second Life, an employer brand can reach global audiences as well as the very niche. This candidate reach can be very cost- and time-effective.

There has been a lot of interest from the media and industry in the past year around the number of employers using the web to gain information on prospective employees. This has highlighted a number of challenges that need to be considered. For example, there are employment law risks associated with using social networking sites to vet job candidates.

These include:

- not processing personal data fairly under the Data Protection Act (DPA) 1998, and breaching guidelines in the DPA code
- claims for discrimination on any unlawful grounds
- breaching trust and confidence.

Employers can make the practice of using the web and social networking sites to gain information if they:

- tell candidates that website checking may be part of the vetting process
- separate the web-vetting from recruitment decision-making
- give applicants a chance to explain discrepancies in CVs and applications
- ask if the job justifies such in-depth vetting, and whether the information could be gathered in another way.

However, the CIPD advises organisations to be careful when using these technologies. In the quest to find the right person for a job, social networking sites could be at best irrelevant and at worst misleading. Good practice requires that every candidate is treated equally, which means all candidates would have to have similar profiles before information is used, otherwise it would be discriminatory and this poses challenges.

As such, it is encouraging to see that 85% of organisations reported that they do not use social networking sites to vet candidates during the recruitment process (Figure 4).

For more information, see the CIPD factsheet on e-recruitment at [www.cipd.co.uk/factsheets](http://www.cipd.co.uk/factsheets)

Table 17: Online methods that organisations use to attract or recruit employees (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
Web browsers	11	13	7	14	9
Social networking sites	6	5	3	10	3
Blogs	2	1	2	3	3
None of these	84	84	92	79	88

Base: 779

Table 18: Organisations planning to start using online methods to attract or recruit employees in the next year (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
Yes	8	4	6	11	9
No	71	76	78	68	61
Don't know	21	20	16	21	30

Base: 691

Only a minority of organisations are using Web 2.0 technologies to attract or recruit employees. The practice is still in its infancy in terms of organisations understanding and using the technology. More than eight out of ten respondents in the 2008 survey reported that they don't use Web 2.0 technology to attract or recruit employees (Table 17). Seventy-one per cent don't plan to start using such technology in the next year (Table 18).

Of those 50 organisations who reported using Web 2.0 technology to attract or recruit employees, the social networking sites they use include LinkedIn (62%), Facebook (58%) and MySpace (10%) (Table 19).

Table 19: Social networking sites that organisations use to attract and recruit employees (%)

	Total
LinkedIn	62
Facebook	58
MySpace	10
Second Life	2
You Tube	1
Others	2
Base: 50	

\* Those organisations that have used social networking sites, blogs or web browsers to attract or recruit employees.  
\* Sample size is small, therefore treat results with caution.

Table 20: Categories of staff that organisations intend to attract and recruit through social networking sites or blogs (%)

	Total (Base 70*)
Graduates	51
Managers and professionals	46
IT specialists	33
Customer service staff	24
Senior managers	16
Secretarial staff	13
Manual/craft workers	9

\* Sample size is small, therefore treat results with caution.

Just over half of the organisations that plan to start using Web 2.0 technology to attract or recruit employees will target graduates (51%), followed by managers and professionals (46%). Refer to the T-mobile case study at the end of this section, which highlights their use of Facebook to recruit and engage graduates.

Ad hoc feedback from an organisation in the voluntary, community and not-for-profit sector noted that they are making use of Facebook to engage graduates in the coming year. They believe that Web 2.0 is an attractive, cost-effective way of attracting candidates and increasing the organisation's profile generally, as well as an opportunity for small firms to punch above their weight.

Other focus group feedback included an acknowledgement that, as Web 2.0 technology is so new, there is currently a lack of best practice examples and guidelines when it comes to using the technology for recruitment purposes.

It is encouraging to see that 85% of organisations reported that they do not use social networking sites to vet candidates during the recruitment process (Figure 4).

Ad hoc feedback from the CIPD member focus groups suggested that 'Googling' potential employees was commonplace, particularly by line managers, and was seen as legitimate. However, checking Facebook and other personal social networking sites was viewed as not acceptable.

Over half of 100 CIPD members who answered this question on Web 2.0 believe the following about its value:

- From an employer branding perspective they are concerned about damaging comments about the organisation being posted on social networking sites and blogs (62% agree or strongly agree).
- Social networking sites are useful for engaging potential job-seekers (56%).
- Web 2.0 offers organisations the ability to learn about how they are perceived in the labour market (52%).

Figure 4: Reference to social networking sites to vet candidates during the recruitment process (%)

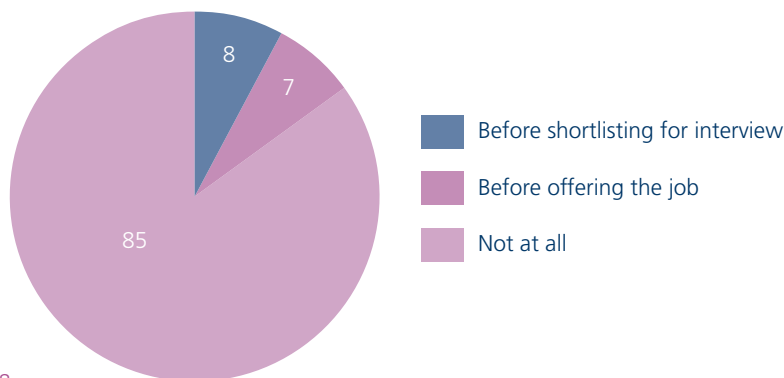


Table 21: Organisations' rating of Web 2.0's value

	Average score out of 5	Strongly disagree %	Disagree %	Neither agree nor disagree %	Agree %	Strongly agree %
From an employer branding perspective we are concerned about damaging comments about the organisation being posted on social networking sites or blogs.	3.7	1	8	33	41	17
Web 2.0 offers organisations the ability to learn about how they are perceived in the labour market.	3.5	–	7	41	48	4
Social networking sites are useful for engaging potential job-seekers.	3.4	1	18	26	48	8
Tracking down candidate information online is too time-consuming.	3.3	1	16	43	27	12
Social networking sites are useful for assessing the suitability of younger workers rather than older workers.	2.8	12	22	36	27	2
Candidate information accessed online will influence our recruitment decision.	2.7	10	30	42	17	1
We have effective mechanisms in place to monitor commentary about the organisation posted on blogs and social networking sites.	2.6	14	32	34	18	2
Candidate information found online will in the future replace references.	2.1	26	41	28	5	–

Base: 98

When we asked respondents to share their organisations' experiences with social networking, almost a third reported having a positive experience searching for candidates using social networking sites. (However, note that the sample size of people responding to this question was very low – 36 people.) Some of the comments are below:

*'[We operate in a] specialist industry, which means that candidates are extremely difficult to find, and so using networking sites in conjunction with general web searching can lead to potential candidates being found.'*

*'We recently became part of the UK's first virtual careers fair; it was very successful and opened a new avenue to explore both candidate attraction and employer brand.'*

*'We have started to use Facebook and a hospitality-specific site similar to Facebook. This has given us the opportunity to introduce the company and its opportunities to a wider audience.'*

## Recruitment through social networking at T-Mobile

T-Mobile International is one of the world's leading companies in mobile communications. It is a wholly owned subsidiary of Deutsche Telecom, and in 2006 served over 106 million customers in 12 major markets. In the UK, T-Mobile is the third biggest supplier, with a growing market share, and has some 17 million subscribers. Mobile communications are very much part of the knowledge economy. The mobile world is changing rapidly, with new technologies offering innovative voice and data solutions for businesses and individual consumers. T-Mobile currently employs 5900 people. T-Mobile's head office is in Hatfield, Hertfordshire with other centres in Scotland, the North East and Wales. Head office roles in marketing and finance are all based in Hatfield. Initially graduates are based at Hatfield.

Against this background it is important that HR practices reflect the T-Mobile brand and its values. Graduate recruitment is important, as a number of new graduate entrants are sought each year to join the UK workforce. While a diverse pool of graduates is sought, it is important that they are all technically aware and are attracted by the innovative approach and new economy values that T-Mobile represents.

A decision was taken to use a social networking dimension in the company's 2007 graduate recruitment round. A Facebook site was created for this purpose. Potential graduate recruits established an individual presence on this invitation-only site. The site was used to provide information on selection procedures and processes, for example recruitment criteria, assessment centre timetables and to allow the potential recruits to communicate with each other.

As well as T-Mobile's IT department, an internal 'brand ambassador' was involved in design throughout. This ensured that the look, feel and tone of the brand and messages remained consistent. Tailored communications were posted for graduates at every point in the recruitment journey on Facebook. For example, press releases were reworded to ensure graduates knew what impact T-Mobile news would have on them.

This tailored communication helped imbed the values of T-Mobile and created a dialogue between T-Mobile and the graduates. As a result, graduates already felt part of the organisation and valued before even starting their first day. To use the airline check-in process as an 'on-boarding' analogy, the graduates checked in online before even getting to the airport.

Debbie Cole, T-Mobile Recruitment Manager, acknowledges that the impact of innovative approach was far from certain at the outset. In her words: 'We didn't think it would take off in the way it did.'

The use of social networking in the recruitment process appealed to the type of graduates that T-Mobile wished to attract. In addition the social networking dimension became just that – an easy way for people to communicate with each other for social purposes. Some successful candidates, for example, used the site to assist each other in searches for shared accommodation.

Debbie Cole emphasises that it is important to use a tailored approach to recruitment and selection, which must depend on the target audience. It is worth emphasising that at later stages in the graduate recruitment, the selection process involved extensive face-to-face interviews, psychometric testing and other well-recognised selection techniques. However, providing social networking is seen as one of a range of options and does not narrow the search to the detriment of organisational requirements. Debbie Cole believes that it has an important and growing role to play.

*Information provided by Debbie Cole, Recruitment Manager for Technology and Graduates at T-Mobile.*

# Diversity

With regard to diversity, not much has changed since last year. Table 22 highlights that just over half (55%) of the respondents possess a diversity strategy.

Table 23 indicates a slight increase this year in monitoring recruitment and/or staffing information to gain data on gender, ethnic origin, disability and age (83%, up from 71% last year). However, overall these findings highlight that there are opportunities for

improvement, given the business advantages to be gained from creating a diverse workforce.

The CIPD has a considerable amount of diversity-focused information available at [www.cipd.co.uk](http://www.cipd.co.uk). Watch out for two new products this year: a major report, *Managing Diversity and the Business Case*, and a new online tool, *How to Build Your Own Business Case for Diversity and Inclusion*.

Table 22: Does your organisation have a formal diversity strategy? (%)

	All	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
Yes	55	44	74	45	84
No	40	48	24	52	12
Don't know	4	7	2	4	4

Base: 773

Table 23: Methods used to encourage diversity in organisations (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services	2007 survey
Monitoring recruitment and/or staffing information to gain data on gender, ethnic origin, disability, age, and so on	83	76	91	74	90	71
Training interviewers to understand what diversity is about and the impact of stereotypes	60	55	48	58	75	61
Advertising vacancies in different sources to widen interest from under-represented groups	48	36	63	44	61	41
Operating policies that go beyond basic legislative requirements on gender, disability, sexual orientation, religion and belief	48	35	55	44	66	45
Using specific images/words in your recruitment advertising to appeal to a wider audience	42	35	46	42	47	37
Checking that any tests used are valid, reliable and culture-free and were tested on diverse norm groups	34	30	31	33	43	38
Providing recruitment documents in other formats (large print, disk, and so on)	31	17	40	17	55	22
Setting recruitment targets to correct a workforce imbalance	12	6	8	9	29	12

Base: 410

# Managing labour turnover

Although labour turnover is inevitable, where it is high organisations face a loss of corporate knowledge and their ability to meet business objectives comes under threat. In contrast, working environments with very low turnover can potentially become stale and negatively affect business growth. This section of our survey investigates trends in labour turnover and employee retention.

## Labour turnover rates

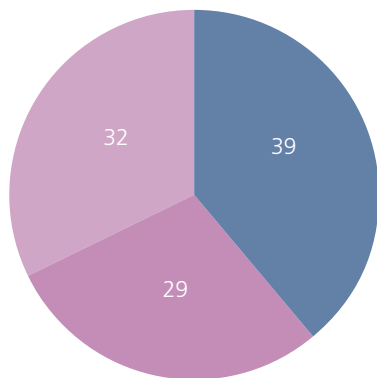
Our survey shows a median labour turnover rate of 17.3% – slightly lower than last year's figure (Table 24). Figure 5 illustrates that survey participants reported no change in the number of employees departing the organisation – reporting the same figure as last year (39%). Where this information was supplied, evidence suggests that the majority of this turnover is voluntary (Table 25).

Table 24: Aggregated rate of labour turnover (%)

2008 survey	2007 survey	2006 survey	2005 survey	2004 survey
17.3	18.1	18.3	15.7	16.1

Base: 347 (2008 survey)

Figure 5: Has labour turnover changed between 2006 and 2007 in your organisation? (%)



- Yes – increased
- Yes – decreased
- No – stayed the same

Base: 388

Table 25: Labour turnover rates, by reason for leaving (%)

Redundancies	0.3 (281)
Retired	0.6 (253)
Fixed-/short-term contracts	0.9 (250)
Dismissed	1.2 (289)
Voluntary	11.4 (313)

Rate shown is median turnover, by reason, of all organisations supplying this information (number of respondents shown in brackets)

Table 26 splits labour turnover for all leavers and voluntary leavers into individual industry sectors. Sample sizes are small in some sector groups (that is, fewer than ten) so results must be interpreted with caution. The hotel, catering and leisure industry remains the sector with the highest level of labour turnover, with the 'all leavers' finding in this category being 41%. This reflects an 8.4% increase in turnover rate compared with last year, bringing the figures back to the levels of 2006 (42.5%).

Table 26: Labour turnover rates, by industry sector (%)

	All leavers	Voluntary leavers
<b>Manufacturing and production</b>	<b>15.0 (107)</b>	<b>9.2 (94)</b>
Agriculture and forestry	11.7 (3)	20.3 (2)
Chemicals, pharmaceuticals and oil	19.2 (9)	8.9 (9)
Construction	18.5 (21)	10.4 (17)
Electricity, gas and water	7.9 (4)	5.3 (4)
Engineering, electronics and metals	15.4 (20)	7.7 (18)
Food, drink and tobacco	24.0 (9)	17.5 (8)
General manufacturing	14.7 (14)	9.5 (11)
Paper and printing	10.5 (4)	7.4 (4)
Textiles	12.8 (4)	7.1 (3)
Other manufacturing and production	13.6 (19)	9.2 (18)
<b>Private sector services</b>	<b>20.4 (181)</b>	<b>13.4 (168)</b>
Professional services	17.6 (43)	12.1 (39)
Finance, insurance and real estate	17.5 (32)	12.5 (30)
Hotels, catering and leisure	41.0 (17)	30.0 (15)
Transport, distribution and storage	10.1 (6)	6.4 (6)
Media (broadcasting, publishing, and so on)	27.2 (9)	17.2 (9)
Retail and wholesale	30.5 (17)	19.9 (15)
IT services	22.4 (13)	17.8 (13)
Communications	37.9 (2)	13.5 (2)
Call centres	30.4 (3)	16.9 (2)
Other private services	19.5 (41)	11.9 (38)
<b>Voluntary, community and not-for-profit</b>	<b>18.4 (47)</b>	<b>12.0 (40)</b>
Care services	20.8 (6)	17.7 (6)
Housing association	15.3 (13)	10.8 (13)
Charity services	19.8 (24)	13.9 (19)
Other voluntary	12.2 (5)	10.5 (3)
<b>Public services</b>	<b>13.5 (51)</b>	<b>9.4 (47)</b>
Central government	11.1 (4)	8.6 (4)
Health	13.2 (16)	9.7 (13)
Education	11.2 (11)	5.9 (11)
Local government	15.2 (9)	11.2 (8)
Other public services	18.2 (11)	10.6 (11)

Median labour turnover rate shown (number of respondents shown in brackets).

Table 27 shows reported labour turnover rates by occupation. To understand the distribution of the results, further detail is shown in Table 28. (For example, 53% of organisations reported 0% turnover of senior managers, 9% reported 1–10% turnover of senior managers, 9% reported 1–10% turnover of senior managers.)

### Redundancies and recruitment freezes

As a proportion of aggregate turnover, almost a quarter of respondent organisations made more than ten people redundant in 2007 (22%). Twenty-one per cent also operated a recruitment freeze over the course of the year. Table 29 highlights that these results are similar to the 2007 survey.

Figure 6 explains the reasons for those employers making ten or more redundancies. Reorganised working methods and reductions in expenditure remain the two key causes.

Table 27: Labour turnover rates, by occupation (%)

Senior managers/directors	0 (89)
Manual/craft workers	12.6 (57)
Administrative, secretarial and technical	13.4 (83)
Managers/professionals	14.1 (89)
Services (customer, personal, protective and sales)	16.9 (58)

Median labour turnover rate shown (number of respondents shown in brackets).

Table 28: Labour turnover, by occupational group by categories of turnover rate (%)

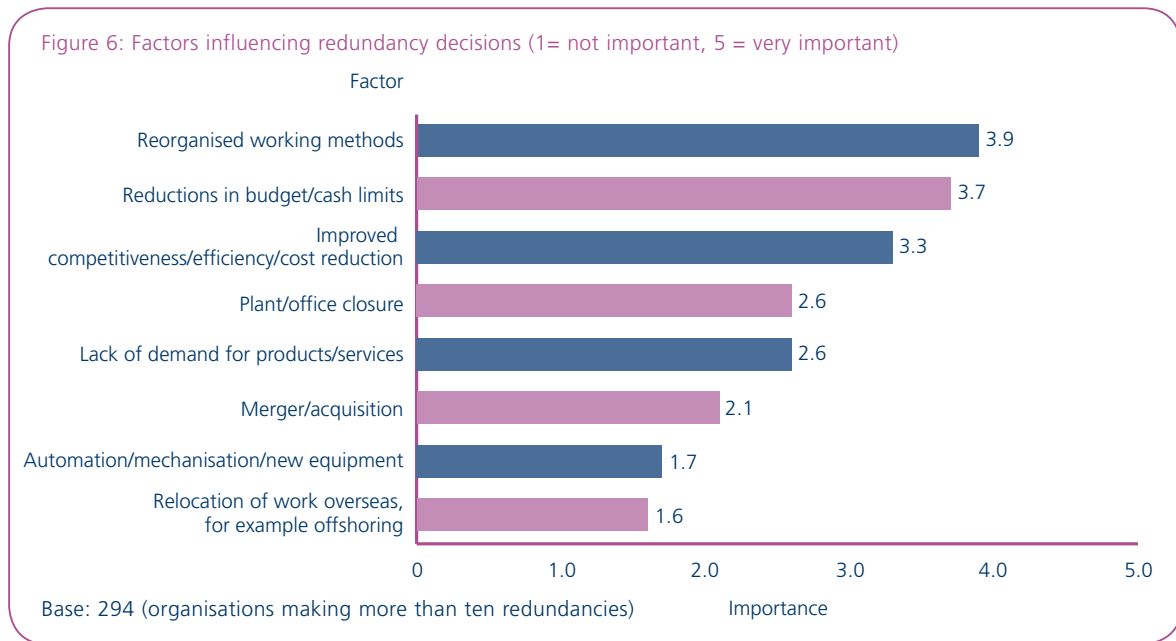
	Turnover			
	0%	1–10%	11–20%	21%+
Senior managers/directors (n=89)	53	9	26	12
Managers/professionals (n=89)	24	17	38	21
Administrative, secretarial and technical (n=83)	24	19	22	35
Services (customer, personal, protective and sales) (n=58)	28	9	21	43
Manual/craft workers (n=57)	23	19	26	32

Table 29: Respondents making ten or more redundancies and/or using recruitment freezes (%)

	Redundancies (ten or more)	Recruitment freezes
2008 survey	22	21
2007 survey	24	22

Base: 298 supplying information relating to redundancies and 774 supplying information relating to recruitment freezes (2008 survey)

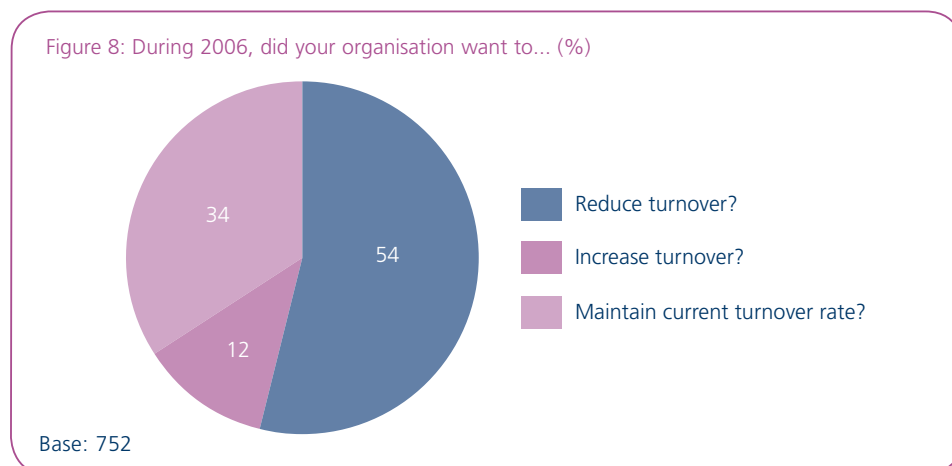
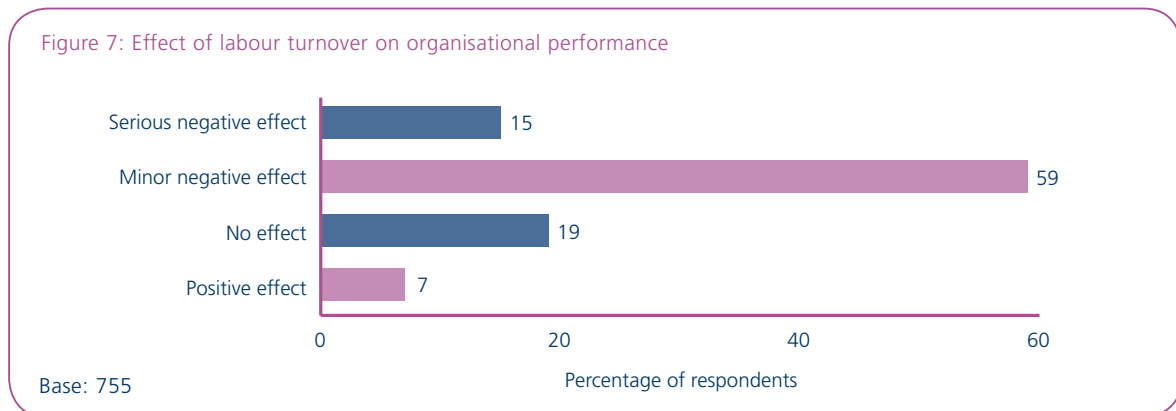
The factors influencing decisions to make ten or more redundancies are shown in Figure 6.



### Labour turnover and organisational performance

As in previous years we sought to capture employers' views on labour turnover and its impact on organisational performance (Figures 7 and 8). Seventy-four per cent

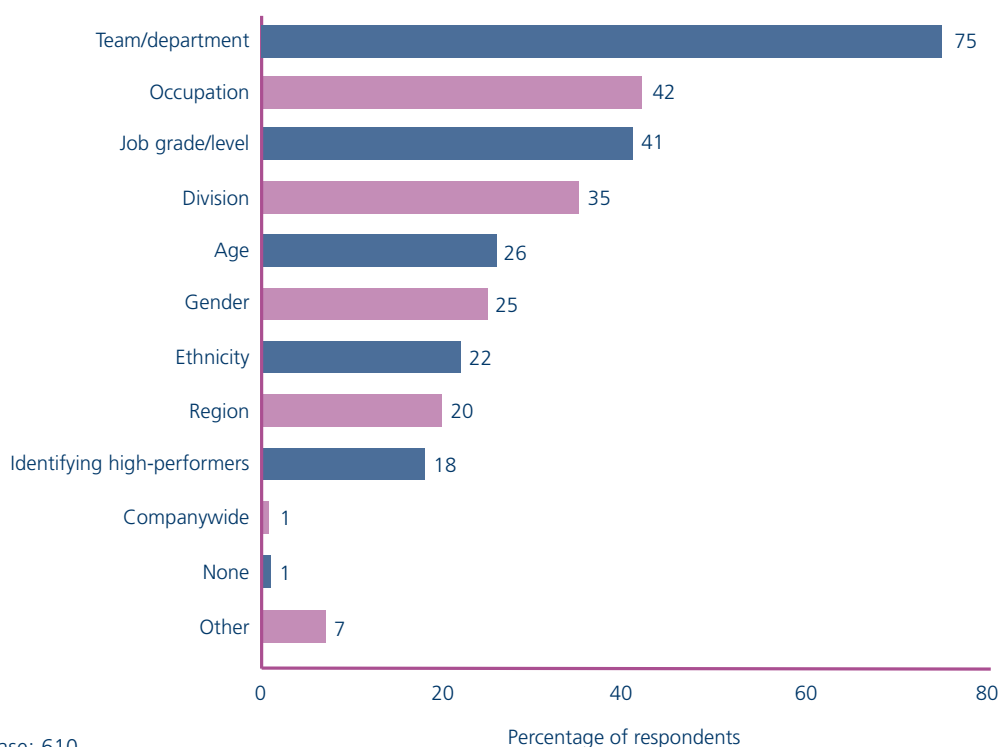
reported a negative effect to business performance as a result of employees leaving organisations. However, only half of employers were aiming to reduce their level of turnover in 2007 (54%).



Our survey also asked some more detailed questions regarding the approaches organisations take to collecting and analysing labour turnover data (see Figure 9). The most common method is by team/department (75%).

Table 30 examines the patterns associated with leavers' length of service. Again, due to the small number of respondents answering this question, data in this area fluctuates every year, so this result should be treated

Figure 9: Approaches taken by organisations to collect and analyse data relating to labour turnover



### Why and when people leave

Almost all respondents (94%) use exit interviews to explore the reasons why people leave the organisation voluntarily.

Drilling down into the key reasons for employee turnover in organisations (Figure 11), in line with our 2007 survey findings, a change of career was the most commonly cited cause (55%). Promotion outside of the organisation (45%), level of pay (39%) and a lack of career development opportunities (41%) also account for a large majority of resignations. Twenty-seven per cent of employers reported leaving to have/look after children (compared with 18% last year), with 22% citing redundancy and 19% retirement.

with caution. Judging by the findings there is still a high proportion of new starters leaving the organisation within the first six months (22%). This emphasises the importance of the induction process, to ensure people joining the organisation are able to integrate effectively into the workplace early on.

The CIPD's factsheet on induction is a good starting point for employers that are planning to redesign an existing or implement a new induction programme:

[www.cipd.co.uk/factsheets](http://www.cipd.co.uk/factsheets)

Figure 10: Methods used to investigate why people leave

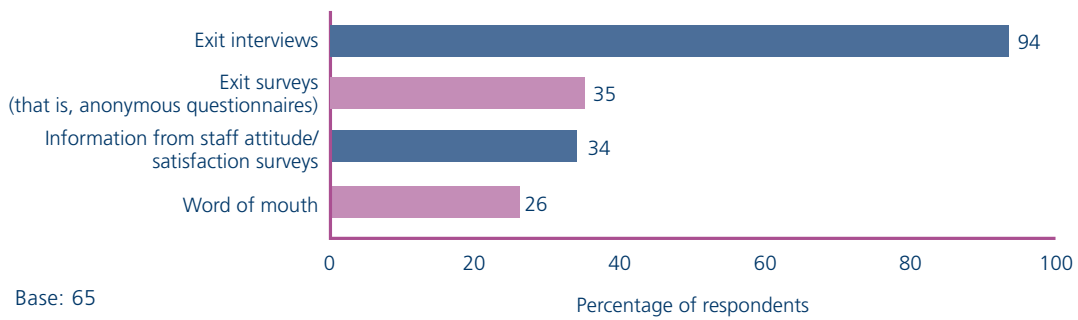


Figure 11: Key reasons for employee turnover

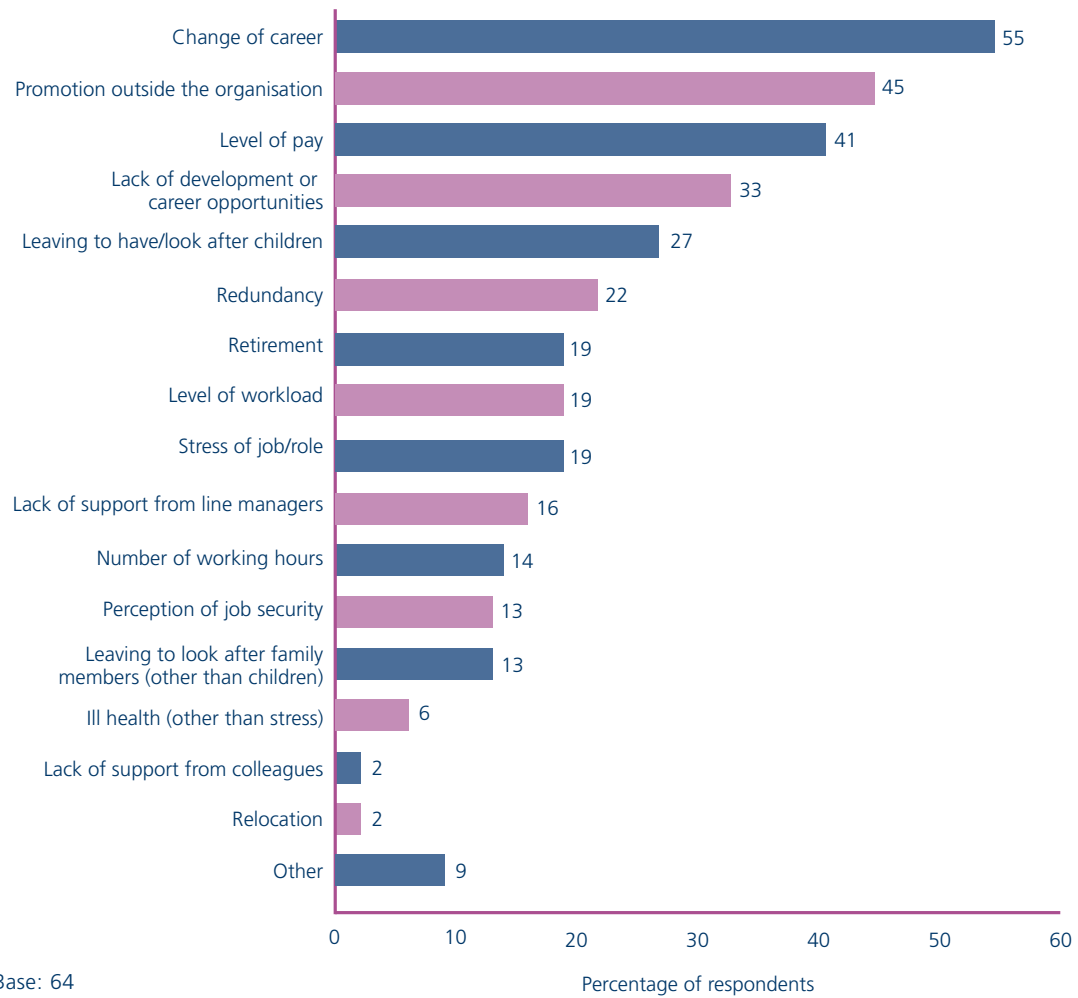


Table 30: Job tenure – leavers' length of service (%)

	2008 survey	2007 survey
Percentage of leavers with 0–6 months' service	22	19
Percentage of leavers with 7–23 months' service	31	28
Percentage of leavers with 2–5 years' service	27	26
Percentage of leavers with over 5 years' service	20	24

Base: 203

### Retaining employees

Developing an employee retention strategy is one step organisations can take to avoid high levels of turnover. As well as keeping costs under control, best practice retention objectives that support resourcing and business goals will also strengthen the internal employer brand and therefore contribute to the organisation's ability to attract new talent.

Overall, organisations reported having the same level of employee retention difficulties as last year: 80% versus 78% in the 2006 survey. This high level of retention difficulties is reported across industry sectors (Table 31).

Senior managers/directors remain the least difficult occupation type to retain, with 7% retention difficulties reported by respondents. Across the rest of the occupations, there is the same level of retention difficulties, ranging from 20–36% – with managers and professionals having the highest level of retention difficulties at 36%.

In terms of the steps organisations have taken to address staff retention, the results are similar to last year – with the exception of pay increases. This year has seen a jump in the use of pay increases to address staff retention. Improving selection techniques and increasing learning and development opportunities were also reported as important staff retention strategies.

Table 31: Organisations experiencing retention difficulties (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
2008 survey	80.4	84.1	76.0	82.0	73.0
2007 survey	78.0	76.0	75.0	83.0	72.0

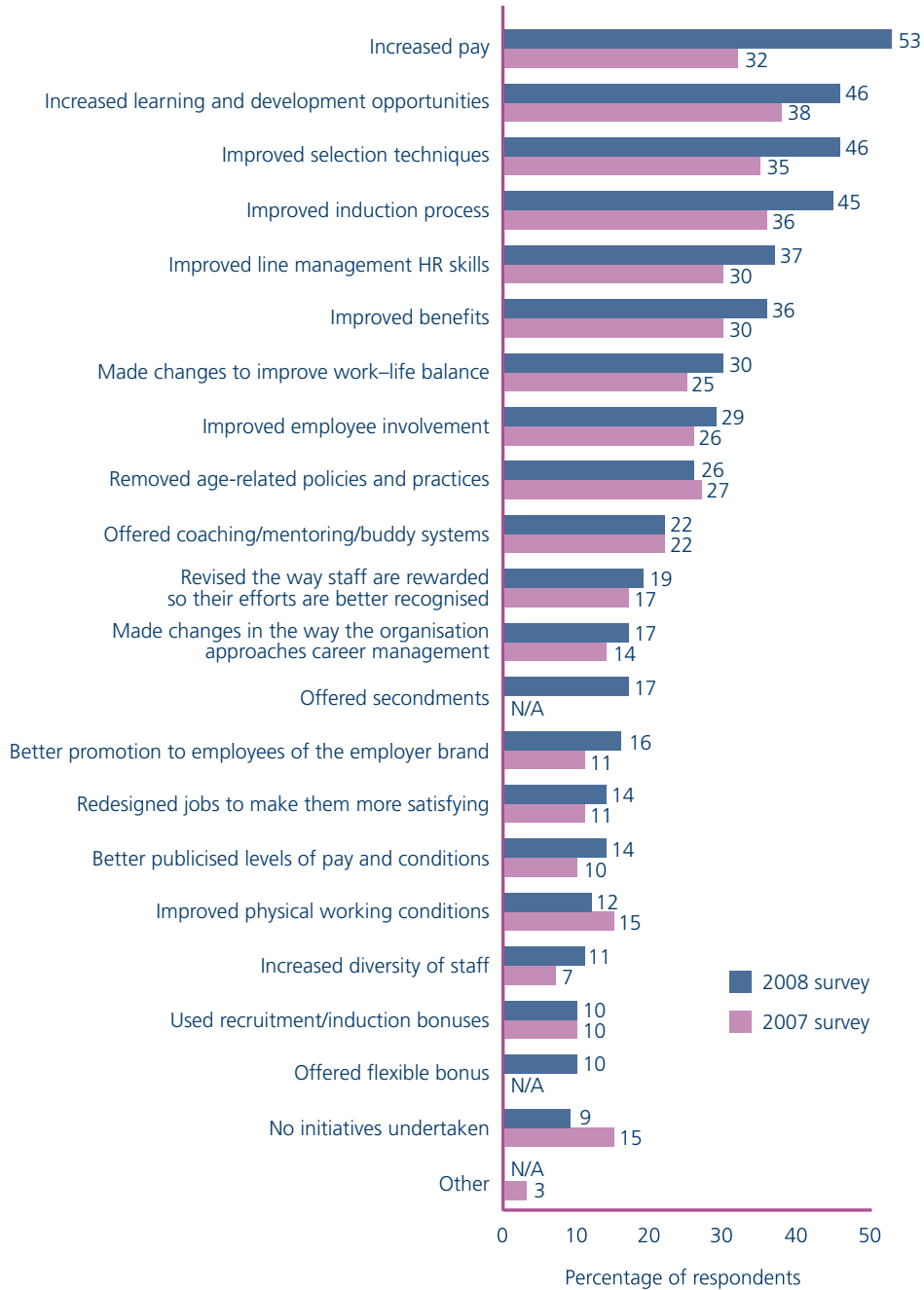
Base: 731 (2008 survey)

Table 32: Retention difficulties, by occupation (%)

	Total	Manufacturing and production	Voluntary, community and not-for-profit	Private sector services	Public services
Senior managers/directors	7	8	7	6	13
Managers/professionals	36	36	30	37	39
Administrative, secretarial and technical	24	19	31	24	29
Services (customer, personal, protective and sales)	24	15	22	32	15
Manual/craft workers	20	38	15	14	15

Base: 731

Figure 12: Steps taken specifically to address staff retention



Base: 710

# Key challenges and implications in recruitment, retention and turnover

Gerwyn Davies Public Policy Adviser, CIPD

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The media has been dominated with stories about the economic downturn. But the headline stories that have grabbed most attention during the past year – the fall in house prices, the collapse of Northern Rock and job losses in the City – don't reflect a balanced picture of what has taken place within UK organisations during the past 12 months. Such a picture is provided in the CIPD's annual *Recruitment, Retention and Turnover* survey, a survey of UK CIPD member employers that uniquely looks at the interrelationships between redundancies, recruitment and labour turnover trends. The results offer invaluable insights into the dynamics of the UK labour market that continue to influence the decision-making of HR professionals and public policy-makers alike. The aim of this section is to shed light on the questions thrown up by the survey, particularly when these are combined with official government statistics and other survey evidence.

## What impact has the credit crunch had on recruitment and retention in the past year?

Let's start with the question that is on the lips of every HR professional: what impact has the current credit crunch had on the jobs market? One need look no further than the official government job statistics to show how resilient the jobs market has been in the year to spring 2008. Redundancy rates are at an all-time low, employment levels are at an all-time high, while unemployment rates remain very low by any measure. This remarkably strong set of figures is reflected in the key findings contained within the CIPD's annual *Recruitment, Retention and Turnover* survey.

It shows that the proportion of employers experiencing recruitment difficulties remains high; up 2% to 86% of employers. As the report states, this has contributed to

making the past year 'a candidates' market'. The reason for such difficulties becomes clearer when looking at the survey in the round. It shows that employers have responded to the largely benign economic conditions in 2007 by reducing redundancies (therefore lowering involuntary labour turnover), operating fewer recruitment freezes and gradually increasing overall recruitment (in the process raising voluntary labour turnover by providing potential job-quitters with more alternative job options to choose from). The offsetting net combination of these recruitment and redundancy patterns is thus to leave the overall labour turnover rate broadly unchanged, although the rate is slightly lower than 12 months ago – a signal perhaps that candidates might be starting to feel more nervous about quitting their current roles.

## What impact will the credit crunch have on recruitment and retention in the next 12 months?

Given the lag between these figures and current activity, perhaps the more significant question lies in whether the jobs picture will look more tarnished in 12 months' time. Unlike the recruitment and retention survey, the CIPD/KPMG quarterly *Labour Market Outlook* provides such a forward-looking snapshot, by highlighting net recruitment intentions among UK employers. The two most recent reports have suggested that 2008 will be a more difficult year for employers and employees alike; with the prospect of higher redundancies and less recruitment, particularly in the public sector and in London. The long era of the 'candidates' market' may therefore be coming to an end, particularly if some of the gloomier economic forecasts come to fruition. The predicted jobs slowdown will particularly affect younger workers and graduates, who stand to suffer most from any recruitment freeze. However, the intense competition

for both skills and talent will undoubtedly remain, particularly for sought-after skills such as engineering. Much will now depend on the Bank of England's capacity to lower interest rates to stimulate economic growth; although this capacity looks set to be severely restricted by concerns about inflationary pressures in 2008.

### **How is government policy impacting on recruitment and retention strategies, and how can employers play their part?**

While much has been made of the effects of the credit crunch on the jobs market, less has been said of government policy. This is an oversight when one looks at the range of policies that will have a direct impact on the labour market in 2008.

#### **Skills**

If recruitment difficulties do continue, the Government's substantial investment in adult skills would seem a very appropriate and timely one. The bulk of government funding is currently aimed at improving the literacy and numeracy of lower-skilled employees through the Government's flagship training initiative, Train to Gain. Train to Gain is a free and independent brokerage service, whose funding priorities are mainly targeted at employees with low levels of basic skills or who do not have a level 2 qualification. Specific funding initiatives are also in place for achievement of management and leadership qualifications and some level 3 qualifications (<http://www.traintogain.gov.uk>).

However, the CIPD argues that if the Government is to realise its ambition of raising the nation's productivity levels, it needs to widen its support to sectors and professions where recruitment difficulties are most acute and are primarily caused by genuine skill shortages. Employers should be playing their part too. By investing in training they can add to the supply of skilled labour, and thereby alleviate skill shortages and combat recruitment difficulties.

The news that the Government is earmarking £200 million for training in key sectors of the economy, such as construction and IT, is therefore very welcome. As the survey shows, the most effective method of addressing recruitment difficulties is to provide additional training to allow internal staff to fill posts – not to recruit people who do not have the necessary skills, which is sadly the most prevalent method used to overcome difficulties.

However, it should be added that this figure still represents less than a fifth of the Government's eventual annual contribution to Train to Gain. This figure might look more understated if some of the potential, and in some cases likely, changes to the labour market take effect. These include the reverse migration of workers from and to EU accession countries and the Government's ambition to get 1 million Incapacity Benefit claimants into work.

#### **Migrant workers and the core jobless**

The influx of migrant labour into the UK has become particularly marked since 2004, when migrant workers from EU accession countries became eligible to work in the UK. As the *Recruitment, Retention and Turnover* survey shows, a sizeable proportion of UK employers (14%) has taken advantage of this relatively new pool of talent and labour during the past year. Further, almost two-thirds say that migrant workers have had a positive impact on their organisation. However, as a study published by the Institute for Public Policy Research (IPPR) in May 2008 indicates, a steady inflow of EU migrants cannot be taken for granted in the long term, with large-scale reverse migration a distinct possibility.

CIPD members are therefore understandably concerned about the practical labour cost and business implications of the incoming points-based system, which will be introduced in stages in 2008. Such a policy might have ramifications for the lower-skilled and lower-paid jobs in particular, as these developments could lead to a shrinking of this pool of labour. But every cloud has a silver lining, and one HR professional's recruitment and retention problem is another candidate's opportunity. It will be interesting to see whether the recruitment difficulties and related risks to pay inflation can be overcome by people not in employment, such as those on long-term Incapacity Benefit.

#### **Summary**

The scenarios for 2008 thus remain finely balanced. But either way, the challenges for the year ahead around skill shortage and recruitment and retention will persist. To overcome such challenges, the Government and employers need to work together by investing in skills at all levels and ensuring that these skills are put to good use in evolving roles.

# Background to the survey

This survey was carried out in February and March 2008 and relates to the period 1 January to 31 December 2007. The questionnaire was sent to HR professionals in the private, public and voluntary sectors. In total 779 responses were received

A profile of the location of survey respondents is provided in Table 33.

Table 33: Location of staff in respondents' organisations (%)

Whole UK	28
London	19
South-east England	17
North-west England	14
Midlands	13
South-west England	11
Scotland	11
Yorkshire/Humberside	9
North-east England	8
East of England	7
Wales	6
Northern Ireland	3

Base: 770

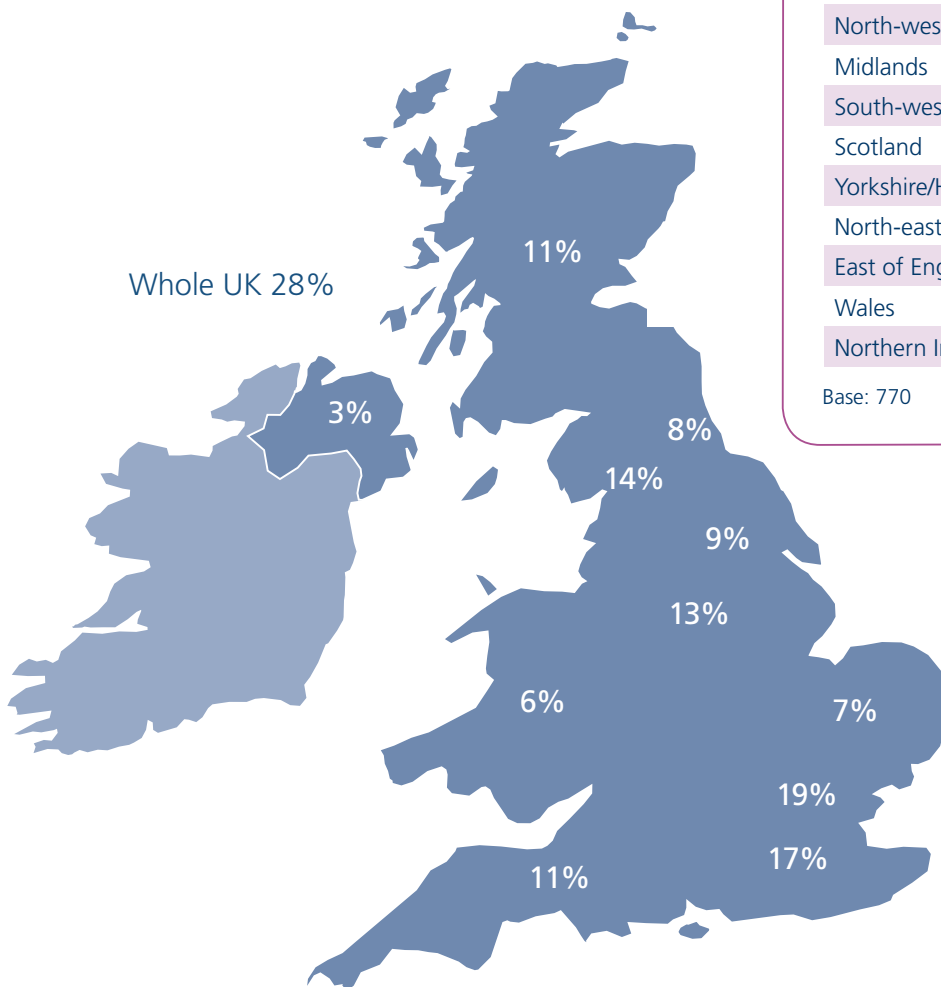


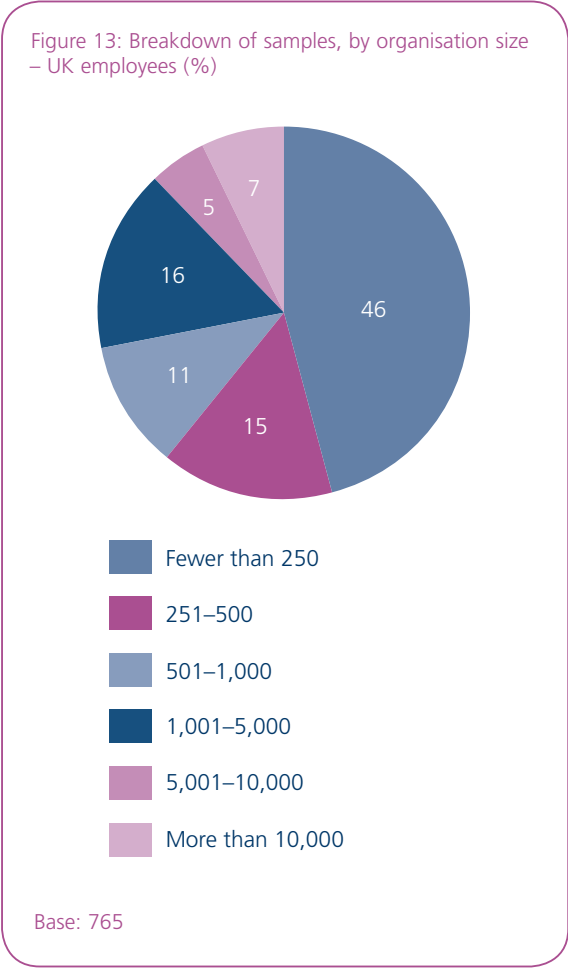
Table 34 provides a profile of the survey respondents, by industry sector.

Table 34: Breakdown of respondent organisations, by industry sector (%)

Private sector services	49
Manufacturing and production	29
Public services	21
Voluntary, community and not-for-profit	12

Base: 774

Figure 13 shows a breakdown of the survey sample by organisation size.



**Recruitment**

A total of 773 respondents supplied information relating to their organisation’s recruitment practices. Of these, 688 were able to supply information relating to the whole organisation and the remainder supplied information relating to only one particular unit, department or region.

**Labour turnover**

A total of 367 survey respondents were able to supply all the information for us necessary to calculate labour turnover on a whole-organisation basis – in keeping with the previous year’s survey.

This report uses the standard ‘crude wastage’ method to calculate the rate of turnover. This method is calculated as follows:

$$\text{Labour turnover} = \frac{\text{Number of leavers in a set period}}{\text{Average number employed in the same period}} \times 100$$

(Please note: leavers include those leaving the organisation by way of voluntary or involuntary severance, redundancies or retirements, but do not include internal transfers.)

However, readers should be aware that this method has limitations. For example, it takes no account of the characteristics of the workforce or the length of service of the leaver.

‘Average’ in the report is used to refer to the statistical mean where the data is normally distributed and to the median in the cases where the distribution is significantly skewed. Note that, in cases where the group sample sizes are small (that is, fewer than ten), the results should be interpreted with caution.

With the exception of labour turnover rates, all figures in tables have been rounded to the nearest percentage point.

# Further reading

CIPD. (2006) *Diversity in business: how much progress have employers made? First findings*. Survey report. London: Chartered Institute of Personnel and Development. Also available at: [http://www.cipd.co.uk/subjects/dvsequl/general/\\_dvrstybus.htm?IsSrchRes=1](http://www.cipd.co.uk/subjects/dvsequl/general/_dvrstybus.htm?IsSrchRes=1)

CIPD. (2007) *Diversity in business: a focus for progress*. Survey report. London: Chartered Institute of Personnel and Development. Also available at: [http://www.cipd.co.uk/subjects/dvsequl/general/\\_dvstybsfcs.htm](http://www.cipd.co.uk/subjects/dvsequl/general/_dvstybsfcs.htm)

CIPD. (2007) *Employee turnover and retention [online]*. Factsheet. London: Chartered Institute of Personnel and Development. Available at: <http://www.cipd.co.uk/onlineinfodocuments/factsheets.htm>

CIPD. (2007) *E-recruitment [online]*. Factsheet. London: Chartered Institute of Personnel and Development. Available at: <http://www.cipd.co.uk/subjects/recruitmen/onlnrcruit/onlrec.htm?IsSrchRes=1>

CIPD. (2008) *Induction [online]*. Factsheet. London: Chartered Institute of Personnel and Development. Available at: <http://www.cipd.co.uk/subjects/recruitmen/induction/induction.htm?IsSrchRes=1>

All of the above are available for CIPD members to download from the Information Resources section of the CIPD website at [www.cipd.co.uk](http://www.cipd.co.uk)

# Acknowledgements

The CIPD is very grateful to those organisations and individuals who gave their time to take part in this research. They include:

- Neil Conway of Birkbeck College
- members of the Recruitment Forum Steering Committee for their input into the survey design and assistance in piloting the questionnaire
- focus group members whose thoughts and experiences helped shape the report's commentary on the findings
- all those who shared examples of their organisation's practices.

We hope that you find the research useful when considering your own recruitment and retention practices. Please contact us if you have any questions or ideas based on our findings ([research@cipd.co.uk](mailto:research@cipd.co.uk)).

We explore leading-edge people management and development issues through our research. Our aim is to share knowledge, increase learning and understanding, and help our members make informed decisions about improving practice in their organisations.

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