

# Recruitment methods used by employers

Findings from the Recruitment Experiences and Outlook Survey, 2021-2022

**New South Wales** 



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# **Background and definitions**

This paper is the first in a series reporting on methods of recruitment data collected as part of Jobs and Skills Australia's Recruitment Experiences and Outlook Survey. This report provides a summary of recruitment methods used by employers during 2021 and 2022 for New South Wales. Separate reports are available for each state and territory.

Jobs and Skills Australia (JSA) conducts the Recruitment Experiences and Outlook Survey (REOS) to monitor recruitment activity and conditions across Australia. Approximately 1,000 employers are surveyed each month to collect information on recruitment activity, recruitment difficulty and staffing outlook. Data are released as close to collection as possible, providing a current view of recruitment activity across Australia. The REOS covers a core set of questions asked each month, including:

- · Current staff levels and recent changes
- Recruitment and retention difficulties
- · Recruitment methods used; and
- Future staffing expectations.

The REOS provides insights about labour market conditions to help policy makers and analysts monitor and understand current and emerging labour market conditions, and to develop resources to help job seekers understand what employers are looking for. More information on the REOS questionnaire, methodology and key concepts can be found <a href="here">here</a>.

The <u>Recruitment Experiences and Outlook Survey (REOS)</u> is one of a number of JSA sources of labour market information. Others include the <u>Internet Vacancy Index (IVI)</u>, <u>Small Area Labour Markets (SALM)</u>, the <u>Monthly Labour Market Dashboards</u>, the <u>Nowcast of Employment by Region and Occupation (NERO)</u>, and <u>Five-Year Employment Projections</u>.

Any data in this report should be referenced as: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey. For any queries about the findings in this paper or the REOS, please contact reos@jobsandskills.gov.au.

#### Methods of recruitment: definitions

Recruitment methods reflect the steps employers took to fill their vacancies. The recruitment methods most often reported by employers include advertising on the internet, promoting jobs by 'word of mouth', social media, use of recruitment agencies, company websites, and newspapers. The survey does not take into account the role that other parties (such as recruitment agencies or job aggregating websites) may have played in promoting the vacancy.

For their most recent recruitment round, we ask employers "What occupation have you most recently hired or replaced new staff for?". Employers can provide multiple responses and often use multiple recruitment methods. Where multiple methods are used, the successful method of recruitment used by recruiting employers is not currently collected.

## Employers that advertised and didn't advertise

Recruitment methods can be broadly defined as 'advertised' or 'not advertised':

- advertised recruitment methods include using the internet (job boards, company websites), newspapers, employment agencies, social media, sign in window, internally advertised/promoted, and 'other' formal methods.
- not advertised recruitment methods include word of mouth and job seekers who have directly approached employers.

The JSA defines recruiting employers as 'not advertising' if they only use word of mouth and/or consider job seekers who approached the business directly.

The data about these employers have important implications for job seekers looking to maximise their job opportunities: that developing and maintaining social connections is beneficial to the job-search process, and being proactive by calling or approaching employers for work is likely to help to find vacancies that aren't advertised.

#### **Methods of Recruitment: New South Wales**

In New South Wales, approximately 3 in 5 of recruiting employers used internet job boards in both 2021 and 2022 (Figure 1). The use of word of mouth (31%), social media (26%) and recruitment agencies/government employment services (17%) were used more often in 2022 than in 2021. Of particular note, use of recruitment agencies/government websites increased by 5 percentage points between 2021 and 2022; and company websites were used by 7% of recruiting employers in 2022, down from 13% in 2021.

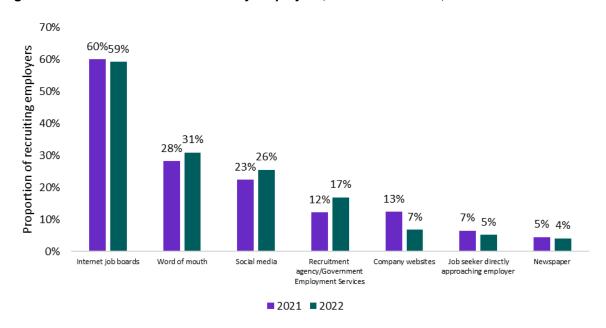


Figure 1. Recruitment methods used by employers, New South Wales, 2021 and 2022\*

\*Note: Employers can report multiple methods so numbers may not add to 100%.

## **Greater Sydney and Rest of New South Wales**

Advertising on internet job boards proved to be the most common method of recruiting staff, regardless of location. Almost two thirds of recruiting employers in Greater Sydney used this method in 2022, compared with 51% of recruiting employers in Rest of Sydney (Figure 2).

Just over a third of employers in Rest of New South Wales used word of mouth (34%) and social media (36%), the latter almost double the use of social media in Greater Sydney (20%). Recruitment agencies/government employment services (19%) and advertising on company websites (8%) were used more often in Greater Sydney than in regional areas in New South Wales.

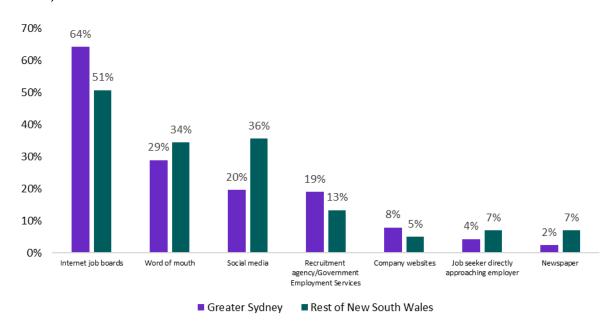


Figure 2. Recruitment methods used by employers, Greater Sydney and Rest of New South Wales, 2022\*

\*Note: Employers can report multiple methods so numbers may not add to 100%

#### Skill Levels

Each occupation is assigned a Skill Level which is based on the ABS ANZSCO Skill Level classification (see this <u>ABS article for more information</u>). Skill Levels reflect the range and complexity of the tasks undertaken in the occupation, based on required levels of formal education and training, previous experience, and the amount of on-the-job training required. For this report, higher skilled vacancies are defined as ANZSCO Skill Levels 1-3; and lower skilled vacancies as ANZSCO Skill Levels 4-5. Recruitment methods often vary depending on the skill level required for the advertised job.

#### **Greater Sydney**

For higher skilled vacancies in Greater Sydney, 69% of recruiting employers advertised on internet jobs boards, followed by word of mouth (28%), with equal use of social media and recruitment agencies/government employment services, both 21% (see Figure 3). This compares with 59% of Sydney employers using the internet for lower skilled positions, while a significant 30% of employers used word of mouth for their lower skilled jobs.

80% 69% 70% 59% 60% 50% 40% 28%30% 30% 21%19% 21% 20% 8% 8% 10% 6% 3% 3% 2% 0% Internet job boards Word of Mouth Social Media Recruitment Company websites Job seeker directly Newspaper Agencies/Government approached employe Employment Services ■ Higher Skill Level ■ Lower Skill Level

Figure 3. Recruitment methods used by employers, by skill level, Greater Sydney, 2022\*

\*Note: Employers can report multiple methods so numbers may not add to 100%.

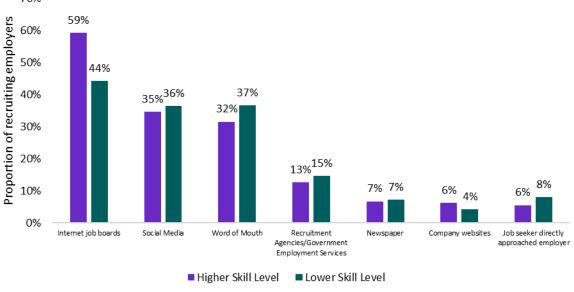
#### **Rest of New South Wales**

For higher skilled vacancies in Rest of New South Wales, advertising on internet jobs boards was the most common (59%), but was used far less for lower skill levels (44%). Social media use was almost the same, regardless of skill level. Word of mouth was more common for lower skilled vacancies 37%, compared with 32% for higher skill jobs. Use of the remaining methods was much smaller and quite similar, regardless of skill level.

Figure 4. Recruitment methods used by employers, by skill level, Rest of New South Wales, 2022\*

70%

59%



\*Note: Employers can report multiple methods so numbers may not add to 100%.

#### Use of social media continues to rise

An emerging trend over recent years has been the increasing use of social media for recruitment. This involves advertising vacant positions on a social media platform, including advertising on Facebook job groups, on Instagram or LinkedIn. Employers use social media for recruitment as it is inexpensive, fast, and allows job ads to have wide exposure amongst job seekers.

Social media use to recruit all staff is more prominent in Rest of New South Wales than Greater Sydney, a trend commonly seen across the country. Social media use in all parts of New South Wales has more than tripled since 2017. <u>Previous REOS findings</u> also reveal that social media is more commonly used when recruiting for lower skilled positions.

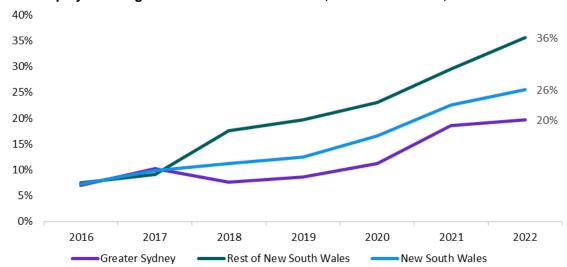


Figure 5. Employers using social media for recruitment, New South Wales, 2016 to 2022\*

\*Note: Data from 2016 to 2019 are from the Survey of Employers' Recruitment Experiences (SERE). Due to changes in questions and methodology from the SERE (2016-19) and the REOS (2020-2022), comparisons with 2019 and prior should be treated with some caution. From November 2019 to March 2020 the survey was suspended due to the COVID-19 pandemic, therefore the data for this time period is imputed. Employers can report multiple methods so numbers may not add to 100%.