TALENT ACQUISITION MARKET REPORT

Compiled and published Quarter 1, 2022

Insights from data gathered in the second half of 2021, for Talent Professionals and their organisations in 2022.

Brought to you by Jobtrain's Talent Intelligence Unit, powered by JobBrain™ *The Data Engine*

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INTRODUCTION

"Talent Intelligence is the augmentation of internal and external people data, experience, and technology to drive business decisions."

We provide Applicant Tracking Systems for a large number of organisations across the UK, Ireland and around the world. For over 20 years we've led the way for ATS technology, with innovations like two stage application processes, Onboarding Green Room, and a host of 'first' integrations across a broad range of platforms be it job boards, psychometrics, background checks or payroll.

The Jobtrain platform processes many tens of millions of applications per annum, and that has provided our Talent Intelligence Unit access to a huge amount of data. We combine this with external research and our candidate survey data - Candidata™ - to form our JobBrain™ data engine. This delivers insights across the market and in specific sectors for recruitment activity and candidate behaviour, at both macro and micro levels, to help with benchmarking and learning insights to our clients.

Brought to you by our Talent Intelligence Unit, the purpose of this report is to share insights from data gathered in the second half of 2021, to provide interesting comparison for Talent Professionals and their organisations in 2022.

The data
The first edition of this report encompasses 26,000 vacancies across 18 industry sectors, and over 7,000 candidates surveyed. It will be repeated and published every 6 months with future editions benefiting from the ability to provide comparisons and trends from the edition prior.

2021 marked the second of two unprecedented years of economic and social distress as a result of the global pandemic, which has likely provided some quite different insights than had we provide such a report two or three years ago. We look forward to seeing how this changes going forward.

EXECUTIVE BRIEFING

Vacancies

1.2m+ UK vacancies October 2021. (ONS)

146% Rise in vacancies created from Jan - Dec. (JobBrain™, Jan 22)

Replacement Hires

78% Most common reason for recruiting is 'replacement' for leaver. (JobBrain™, Jan 22)

Itchy Feet

75% Moving for change or first job. Only 25% job hunting due to unemployment. (Candidata™, Jan 2)

50% Looking for flexible and/or home working. (Candidata™, Jan 22)
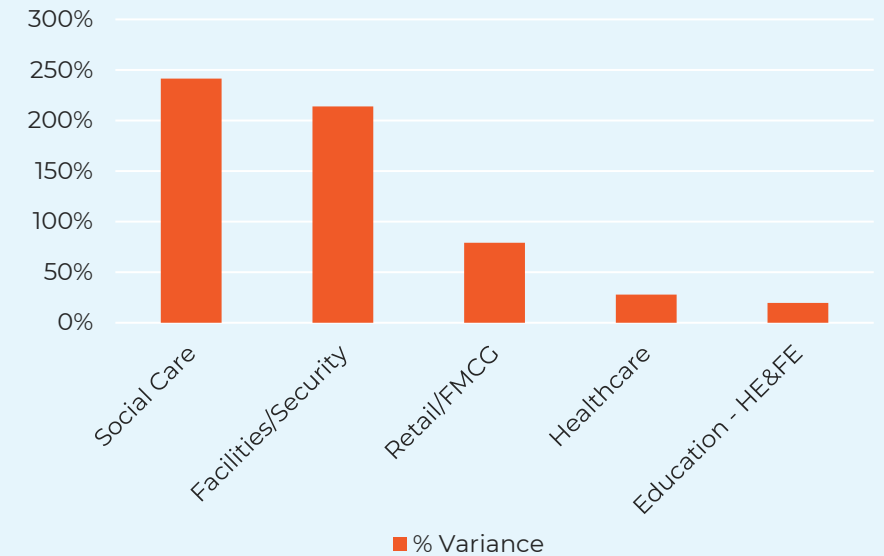
Increase in applications

80% Via Jobtrain in 2021 v 2020 (JobBrain™, Jan 22)

What does this mean for Talent Acquisition in 2022?

❑ Better adverts not more! Focus on promoting brand, employee benefits, and inclusivity.

❑ Embrace candidates' desires for flexible and home working, and use hybrid working to make recruiting easier and your business operations more flexible.

❑ Dispense with the previous 'ideal' candidate profile and adapt your criteria and selection to focus on transferrable skills or qualities. Home working widens the geography of your candidate pool.

❑ Consider pooling advertising and candidates - into regions or job types for example - rather than job by job. A high number of similar vacancies can dilute and fragment the candidate channel.

❑ Make the application form easy and quick. Use a second stage to obtain more data at offer.

❑ Act quick for the right candidates. Speed up selection with automated assessment to immediately identify the best candidates - and keep comms fast and constant. Where else can technology eliminate manual admin and limit the impact of absence?

❑ Talent pool quality candidates that you might need for future recruitment. Take advantage of the volume surplus and reduce your attraction expenditure for even longer.

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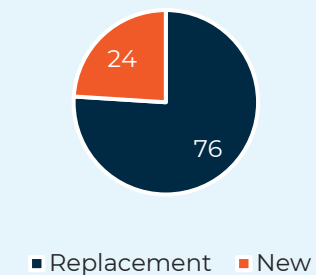
ACTIVITY OVERVIEW

Vacancy volumes

❑ Vacancies per month rose 146% over the course of the year, reflecting the economy and organisations emerging from being 'mothballed' in the pandemic, though the rise steadies to 18% over the course of the second half of the year.

❑ The Leisure & Hospitality sector stands out with a 270% increase, whilst Retail/FMCG follows with a 67% increase, reflecting the easing of restrictions and the pick-up of the economy.

❑ The sectors that averaged the highest vacancy volumes each month through the second half of 2021 were, Social Care, Security/Facilities, Retail/FMCG, Healthcare, and Higher/Further Education.

❑ The most common reason for recruiting was 'replacement' (76% across the board) perhaps reflecting 'The Great Resignation', though HE/FE bucked the trend being the sector which saw the most common reason being 'new' vacancies.
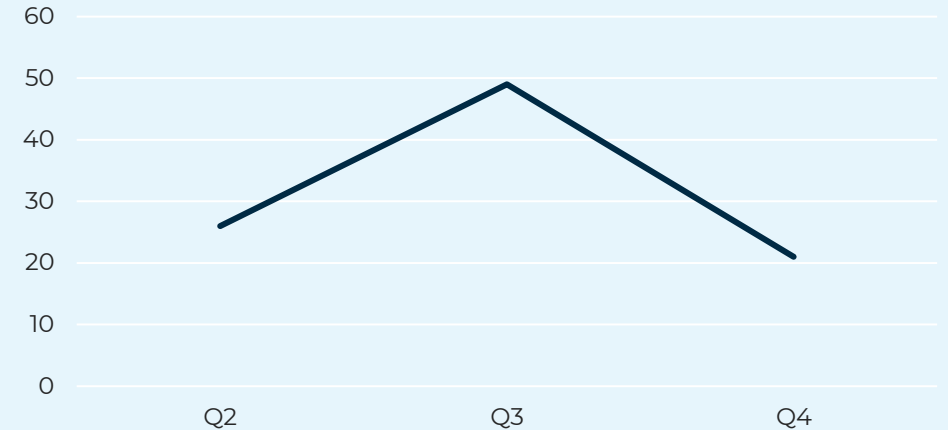
% Variance to All Sectors Average

■ % Variance

Reason for Recruitment

■ Replacement   ■ New

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Applications Per Vacancy

❑ As a context, Jobtrain processed 80% more applications in 2021 than it did 2020.

❑ Though over the course of the second half of 2021 the average number of applications per vacancy fell (by 19% from 49 to 21), quarter 3 represented the peak of volumes.

❑ The rise in applicants correlates with the ending of furlough and the resurgence of certain sectors as restrictions eased.

❑ With the main reason for vacancies being 'replacement' of lost staff, there was also a merry-go-round, as workers moved employers.

❑ Our candidate survey reveals that during this period only 22% of applicants were being forced to apply due to unemployment. For 78% it was choice, which we will consider further within this report.

Average Applications per Vacancy Trend

Reasons for Applying - % of applicants

■ Gain employment having been unemployed, or about to be unemployed
■ Other reasons

Activity overview

Vacancies: Locations and Hours

If 78% were moving out of choice what were their reasons?

❑ A survey by Prudential featured within The Economist in the second half of 2021 reported 42% of employees would resign if they were forced to return to office based fixed hours working.

❑ Our own candidate survey data found that for 50% of the candidates, home/flexible working was important or very important to them.

❑ After initially decreasing, 'office based' roles (or onsite or face-to-face if not strictly an office) rose towards the end of 2021, which corresponds with the type of sectors with the highest vacancy levels.

❑ Full time roles did the opposite, decreasing at the end of the year. It will be interesting to see how if this trend continues.

Vacancies 2021 H2: % Office Based

Vacancies 2021 H2: % Full Time Roles

Activity overview

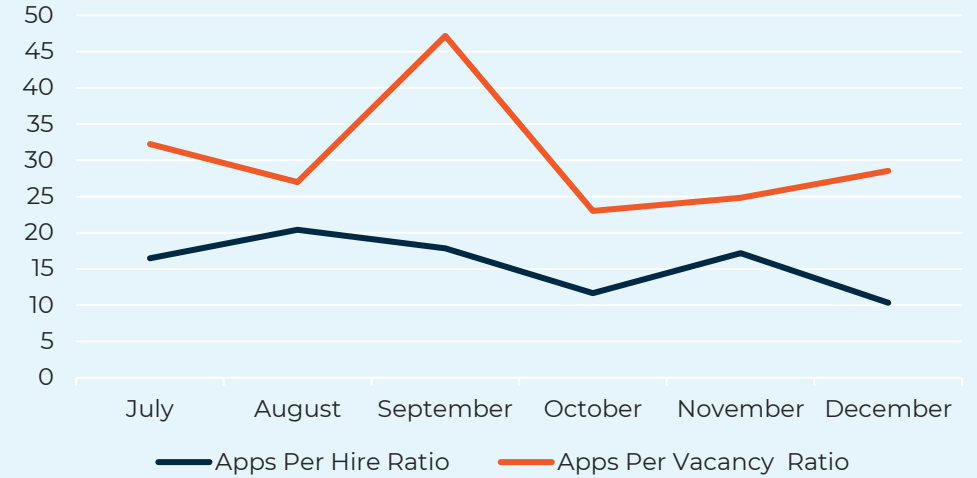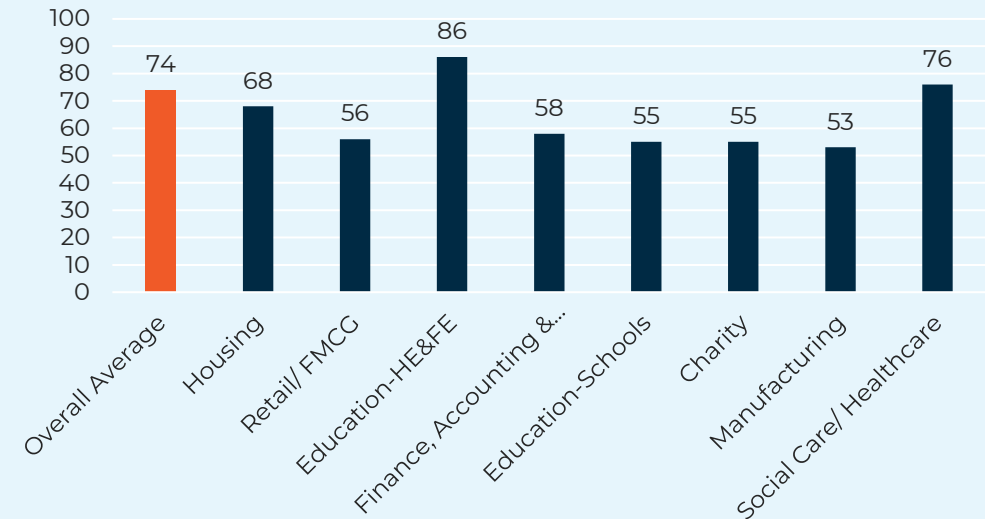Brought to you by Jobtrain's Talent Intelligence Unit, powered by
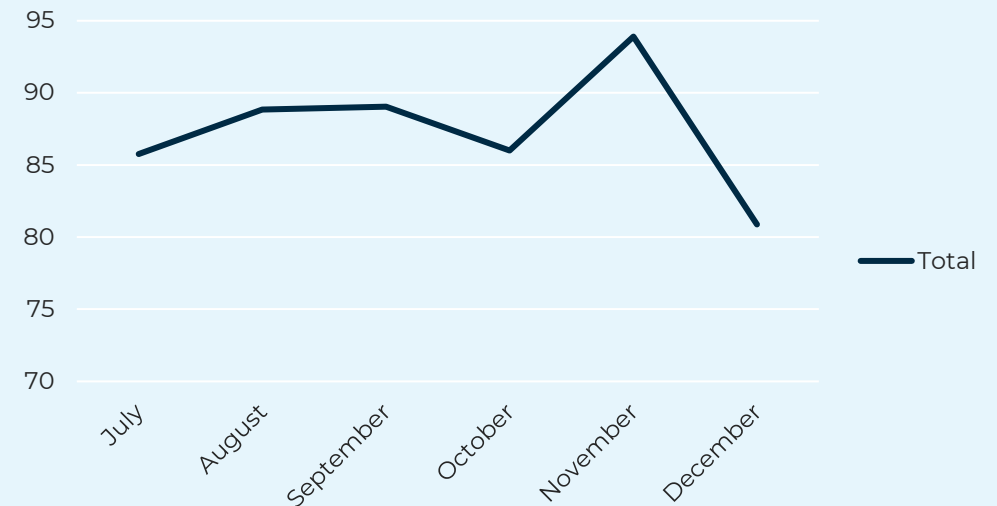
Application to Hire & Time to Hire

❑ Organisations often reported a contradiction in challenges in this period. On the one hand often overwhelming numbers of vacancies they couldn't fill, but unprecedented high levels of applications.

❑ Raising the question of whether it was a case of lots of unsuitable applicants, or a bottleneck of applicants into a process that lacked the ability to cope with volume, or relied heavily on absent resource rather than automation.

❑ Vacancies taking longer to approve (whether owing to operational disruption and long periods on hold or absence) is another factor when reflecting on the higher than usual average time to hire during the period.
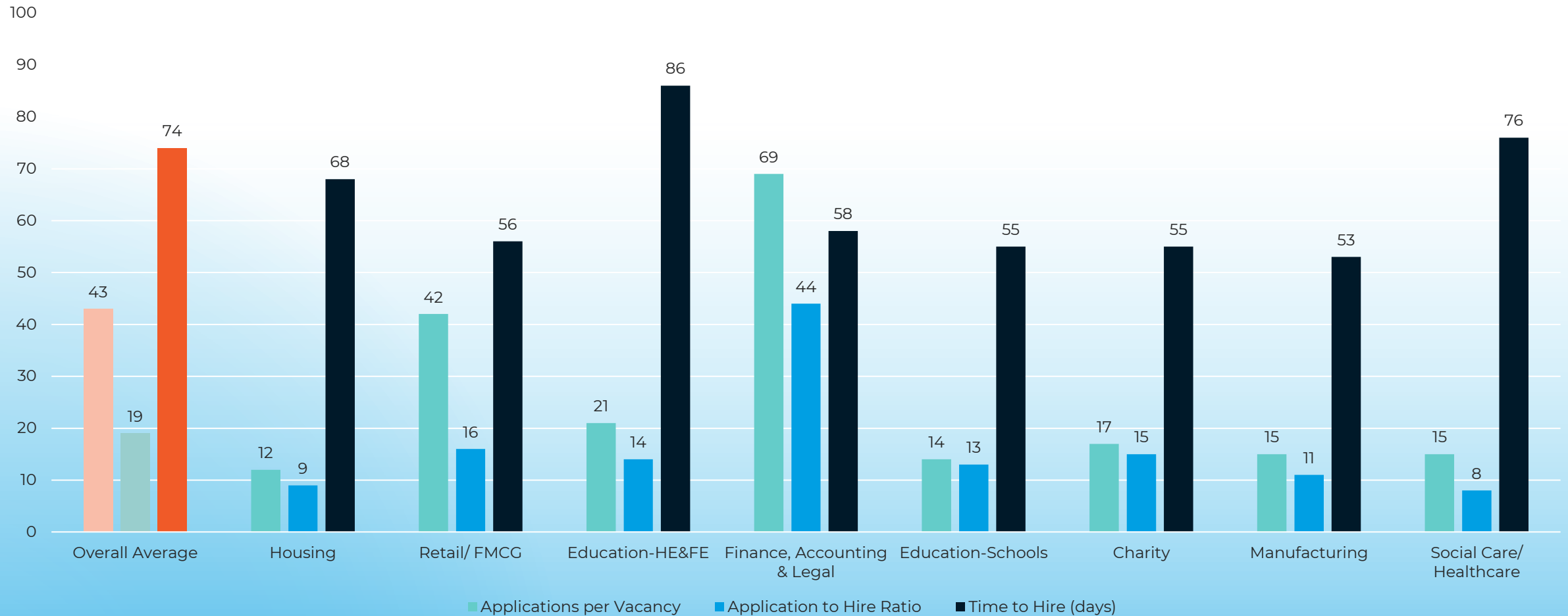
Average Apps Per Vacancy & Hire Ratios

Average Time to Hire* in Days

* Vacancy created to Offer Accepted

Activity overview

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SECTOR COMPARISONS

Combined metrics overall and by sector

Legend: Applications per Vacancy | Application to Hire Ratio | Time to Hire (days)

Data values by sector:

| Sector	Applications per Vacancy	Application to Hire Ratio	Time to Hire (days)
Overall Average	43	19	74
Housing	12	9	68
Retail/ FMCG	42	16	56
Education-HE&FE	21	14	86
Finance, Accounting & Legal	69	44	58
Education-Schools	14	13	55
Charity	17	15	55
Manufacturing	15	11	53
Social Care/ Healthcare	15	8	76

ENGAGEMENT & SOURCING

Candidate Motivations

❏ Only 24% of candidates were looking for work due to unemployment. The rest were looking to move of their own accord - for career change, career advancement, or better benefits or conditions.

❏ 50% of candidates said flexible/home working was important/very important. Only 11% favoured office based working.

❏ Interestingly, when combining the survey responses, flexible/homeworking was an important motivation for those seeking a job due to unemployment.

Main reason for looking for a job (if not unemployment)
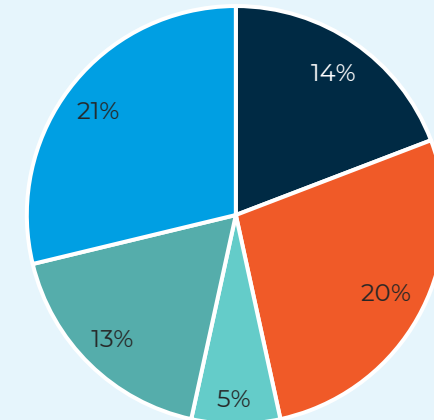
- ■ Better employee benefits
- ■ Career change
- ■ Desire for home based/flexible working
- ■ First job since leaving education
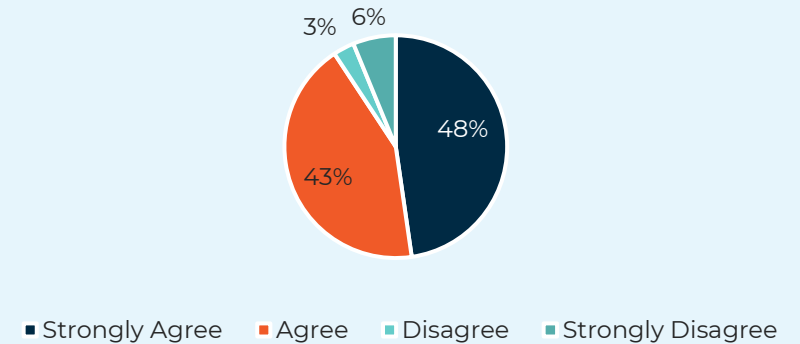- ■ Promotion opportunities

Candidate Motivations

❑ In fact the highest preference for office working was amongst those seeking better employee benefits, at 14%.

❑ Are attitudes changing though? There was a 115% rise in those preferring office work from the start of the second half of 2021 to the end of it, and a 11% fall in those wanting flexible/homeworking.

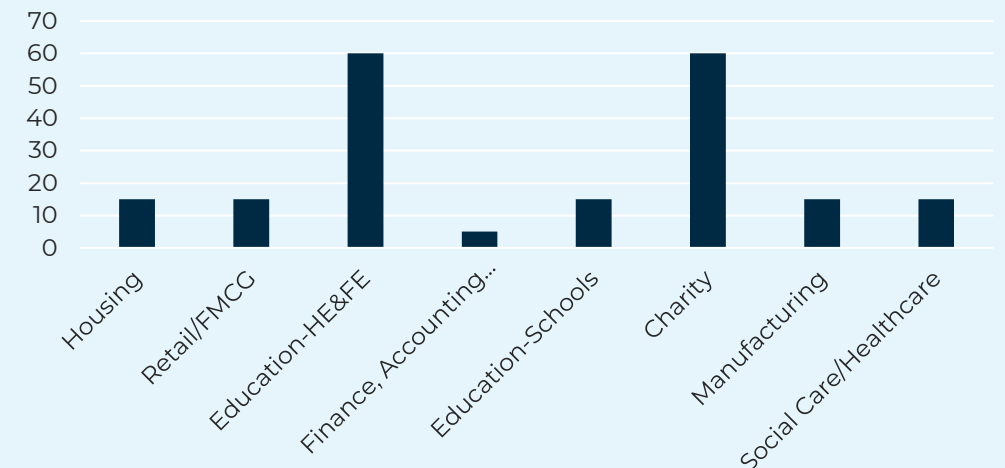| What was the main reason for looking for a job?	How important is Home/Flexible Working when applying for your next job?			
	Prefer office based working	**Not bothered**	**Somewhat important**	**Very important**
Better employee benefits	14%	42%	26%	18%
Career change	11%	44%	27%	18%
Desire for home based/flexible working	2%	16%	31%	51%
First job since leaving education	11%	39%	34%	16%
Gain employment having been unemployed, or about to be unemployed	11%	43%	29%	18%
Promotion opportunities	13%	33%	30%	24%

Engagement & sourcing

Engaging Candidates

❑ Another growing influence on a candidate's choice of employer is their policies and practices with regards to Equality, Diversity & Inclusion. A growing number of our clients are participating (and advertising the fact) in schemes and accreditations such as the Disability Confident or Athena Swann scheme. They are supporting this with technology and processes, for example providing onscreen accessibility support or anonymous shortlisting.

❑ The fight for high-quality candidates can be positively influenced by a strong EVP and effective advertising strategy. Our research shows using video in adverts sees applications increase and rejections reduce by half, indicating a better 'quality' of candidate.

❑ Would-be applicants value 'real' information and insight in these videos, rather than corporate brainwashing. It can be achieved as easily as a staff member doing a day in the life video on their phone, uploading to YouTube or Vimeo and embedding it within the advert.

Engagement & sourcing

An organisation's policies and practices with regards to equality, diversity, and inclusion is an important factor in choosing to apply to work for them

3%   6%
48%
43%

■ Strongly Agree   ■ Agree   ■ Disagree   ■ Strongly Disagree

Average Minutes to Complete Application Form

Housing | Retail/FMCG | Education-HE&FE | Finance, Accounting... | Education-Schools | Charity | Manufacturing | Social Care/Healthcare

Engaging Candidates

❑ The number of candidates applying using a mobile might seem an irrelevant statistic, but given the sheer number of vacancies in the UK compared to candidates, more than ever candidates will favour a slick, mobile-friendly application process. With CV parsing, two-stage application processes, and video technology - should lengthy forms be consigned to the past?

❑ Secondly, our candidate research has revealed that mobile applicants are twice as likely to favour a video-based interview compared to desktop applicants.

❑ Candidate engagement doesn't just stop at sourcing. It should be right through the process and especially between offer and starting. With time to hire so high and candidates scarce, losing 8% of offered candidates is a time and cost drain.

Videos within Job Adverts

Ads with video:
27% of applications rejected

Ads without video:
51% of applications rejected

How did candidates apply
47% Mobile
53% Desktop

Candidates lost at offer
8%

Engagement & sourcing

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Sourcing Candidates

- A lot of organisation still don't track the source of online applications, or only do so for job board postings, but not other methods, especially offline ones (though they could use QR codes). On average 73% of applications had no tracked source.

- Therefore asking candidates to specify where they heard about the vacancy remains a common practice. Arranged alphabetically, there is no evidence candidates choose the first on the list. Afterall, the top source Indeed is half-way down.

- Less commonly asked or reported is what influenced them to apply. Our survey revealed 3 main reasons.

- Despite the challenges of recruiting externally, internal candidates remain a tiny fraction of applications.

Source of candidates

Hearing about vacancy
Indeed

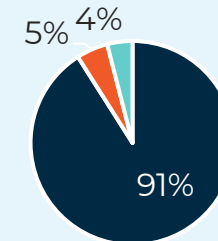**Tracked Source: Apps**
Indeed

Tracked Source: Hires
Indeed

What influenced you to apply?

Indeed Advert/ Job Match email

The description of the job in the advert

Recommendation from a friend or peer

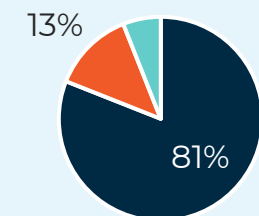## Applications by Candidate Type

5% 4%
91%

- External - Internal - Agency

Hires by Candidate Type

13%
81%

- External - Internal - Agency

Engagement & sourcing

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SECTOR COMPARISONS

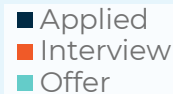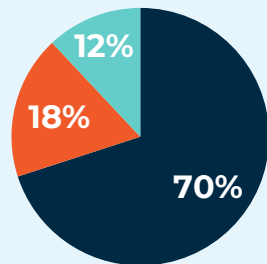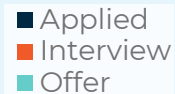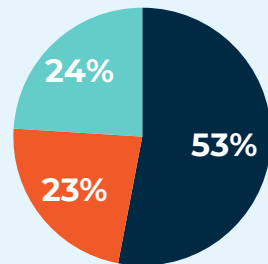|	Overall Average	Housing	Retail/FMCG	Education-HE&FE	Finance, Accounting & Legal	Education-Schools	Charity	Manufacturing	Social Care/ Healthcare
Hearing about vacancy	Indeed	Indeed	Indeed	Company Website	Indeed	Indeed	Indeed	Indeed	Indeed
Most common source - tracked	Indeed	Indeed	Indeed	Indeed	Indeed	Indeed	Indeed	Indeed	Indeed
% untracked	73	57	68	92	74	82	65	71	85
Apps - External %	91	86	95	90	91	95	94	85	89
Apps - Internal %	5	10	3	10	5	5	5	4	3
Apps - Agency %	4	4	2	0	4	0	1	11	8
Hires - External %	81	71	86	78	88	90	85	70	89
Hires - Internal %	13	24	9	22	7	10	14	12	5
Hires - Agency %	6	5	5	0	5	0	1	18	6
Video Ads - % rejected	27	24		26				25	15
Non-video Ads - % rejected	51	42		61				47	54
% Candidates lost at offer	8	8	9	3	7	6	5	7	8
Most common source of external hires	Indeed	Indeed	Indeed	Company Website	Indeed	Company Website	Charity Jobs	Indeed	Indeed
Mobile Apps %	47	52	48	35	51	37	51	40	53
Desktop Apps %	53	48	52	65	49	63	49	60	47
What was the main reason for looking for a job?	Career Change	Career Change	Unemployment	Promotion opportunities	Career Change	Promotion opportunities	Promotion opportunities	Unemployment	Career Change
What influenced you to apply?	Indeed Advert/Job Match email	Indeed Advert/Job Match email	Indeed Advert/Job Match email	The description of the job in the advert	Indeed Advert/Job Match email	Recommendation from a friend or peer	The description of the job in the advert	Indeed Advert/Job Match email	Indeed Advert/Job Match email
How important is home working or flexible working to you?	Not Bothered	Not Bothered	Not Bothered	Somewhat important	Somewhat important	Not Bothered	Somewhat important	Not Bothered	Not Bothered
Happy with length of app form?	Strongly Agree	Strongly Agree	Strongly Agree	Agree	Strongly Agree	Strongly Agree	Agree	Strongly Agree	Strongly Agree
Time taken to complete app form?	15 minutes	15 minutes	15 minutes	60 minutes+	5 minutes	15 minutes	60 minutes+	15 minutes	15 minutes
For applications prefer using my laptop/mobile?	Laptop/PC	Laptop/PC	Laptop/PC	Laptop/PC	Laptop/PC	Laptop/PC	Laptop/PC	Laptop/PC	Laptop/PC
An organisations policies and practices with regards to equality, diversity, and inclusion is an important factor in choosing to apply to work for them?	Strongly Agree	Agree	Strongly Agree	Strongly Agree	Agree	Strongly Agree	Strongly Agree	Agree	Strongly Agree

EQUALITY, DIVERSITY & INCLUSION

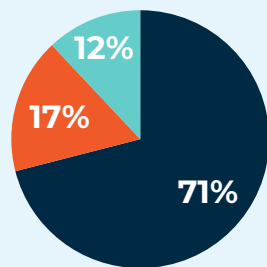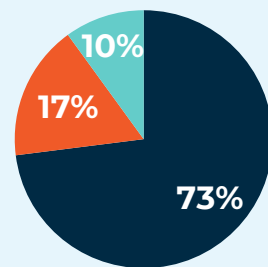## How far did candidates get in the process?

Ethnicity

White

12%
18%
70%

■ Applied
■ Interview
■ Offer

Non-white

24%
23%
53%

■ Applied
■ Interview
■ Offer

Sex

Male

12%
17%
71%

■ Applied
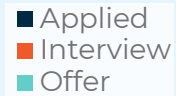■ Interview
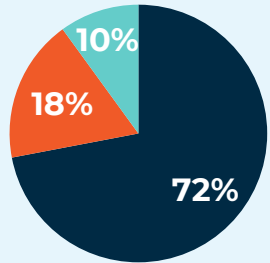■ Offer
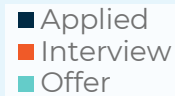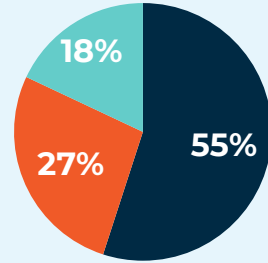
Female

10%
17%
73%

■ Applied
■ Interview
■ Offer
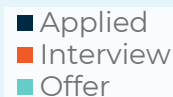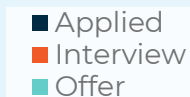
❑ Another growing influence on a candidate's choices of employer is their policies and practices with regards to Equality, Diversity & Inclusion.

❑ Increasingly, our clients are seeing the value of participating (and advertising the fact) in schemes and accreditations such as the Disability Confident or Athena Swann scheme. They are supporting this with technology and processes, for example providing onscreen accessibility support or anonymous shortlisting.

❑ With reference to accessibility, The British Dyslexia Association estimates up to 10% of UK adults have dyslexia to some degree, and the WHO estimates 2.2 billion globally with a visual impairment. They're a sizeable chunk of the available candidate pool that will find it easier to apply online with an organisation that provides supportive technology and process, than one that doesn't.

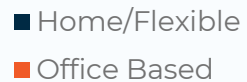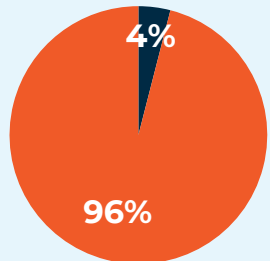Brought to you by Jobtrain's Talent Intelligence Unit, powered by **JobBrain**
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No Disability

Disability (vertical label)

- Applied (72%)
- Interview (18%)
- Offer (10%)

Disability

- Applied (55%)
- Interview (27%)
- Offer (18%)

Location

Flexible Working (vertical label)

- Home/Flexible (4%)
- Office Based (96%)

Contract Type

- Full Time (87%)
- Part Time (13%)
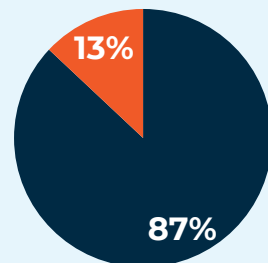
☐ When it comes to EDI monitoring, those who care for dependants are seldom recorded. According to ONS 93% of male workers and 75% of female workers have some degree of dependant care to factor into their working life.

☐ Our candidate survey data suggests promoting remote working and flexible working hours could see an organisation's applicant pool increase in size and quality.

☐ Numerous surveys and studies advise that Generations Z candidates (recent job market entrants and those for the next decade) will eschew full time and office based working. A high-volume recruiter involved in front line health care and customer facing services recently found that full time adverts yielding 0 applicants, almost immediately yielded 100 candidates when advertised as part-time / flexible hours.

☐ Such working arrangements could also be more favourable to candidates of under represented groups, and so could indirectly boost EDI efforts.

Equality, diversity & inclusion
How far did candidates get in the process?

SECTOR COMPARISONS

	Overall Average	Housing	Retail/FMCG	Education- HE&FE	Finance, Accounting & Legal	Education- Schools	Charity	Manufacturing	Social Care/ Healthcare
White - Applied %	70	67	81	63	85	59	67	78	58
White - Interview %	18	21	11	20	10	25	23	12	20
White - Offer %	12	12	8	17	5	16	10	10	22
Non-white - Applied %	53	47	60	45	67	47	51	57	50
Non-White - Interview %	23	27	21	22	16	27	27	22	20
Non-White - Offer %	24	26	19	33	17	26	22	21	30
No Disability - Applied %	72	69	80	70	78	64	77	80	62
No Disability - Interview %	18	22	12	20	14	26	18	13	20
No Disability - Offer %	10	9	8	10	8	10	14	8	18
Disability - Applied %	55	51	53	45	55	55	55	82	46
Disability - Interview %	27	25	36	25	32	30	30	13	21
Disability - Offer %	18	24	12	30	13	15	15	5	33
Male - Applied %	71	66	77	71	82	60	63	78	61
Male - Interview %	17	22	13	16	11	22	23	12	19
Male - Offer %	12	12	10	13	7	18	14	10	20
Female - Applied %	73	67	78	75	82	65	69	79	64
Female - Interview %	17	23	11	16	12	23	21	12	18
Female - Offer %	10	10	11	9	6	12	10	9	18

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TALENT INTELLIGENCE

Analysis - Insights - Consultancy

For further information on Talent Intelligence, click here.

How important will data and talent intelligence be
to your organisation in 2022?

Take the survey

Contact

Gary Towers | gary.towers@jobtrain.co.uk | 07813 867764 | 0161 8502004

Talent Intelligence Director

JOBTRAIN