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DUCTION INTRO

HIRING IN 2023... HOW'S IT GOING FOR YOU & YOUR BUSINESS?

With layoffs in the tech industry, rising inflation rates, increased cost of living pressures, recessionary fears, geopolitical instability and more... It's clear that 2023 has certainly been a year filled with great uncertainty and volatility.

What's more, Australia's workplace regulations have undergone one of their biggest upheavals in decades this year. From the introduction of the 'Secure Jobs, Better Pay' Bill to the most substantial increase to the National Minimum Wage Increase in recent history, employers have had to grapple with continual compliance changes whilst trying to attract top talent. It's certainly been no easy feat.

Over in New Zealand, one of the most pressing challenges businesses face is a <u>talent shortage</u>. As the economy tightens and sectors report huge shortages of staff, there's a keen worry about how businesses will survive. In fact, <u>90% of businesses</u> said in a recent survey that they were struggling to find new employees, with many citing the challenges of attracting overseas workers as one of the key drivers. When there's a talent shortage, hiring processes have to be efficient — it can't be too long or too arduous, or else businesses risk losing good talent.

With so much going on, it's clear that businesses are facing some big challenges at the moment. So, how can employers improve their hiring processes to better attract good talent? To help you better understand the hiring landscape in Australia and New Zealand, we polled 509 business leaders in June 2023.

A snapshot of our findings? Hiring costs are increasing — in large due to the rising cost of living, but also because of labour shortages and increased prices of job board postings. SMEs are also struggling in the competition against bigger business for good talent, and have difficulties accessing job boards due to their small budgets – and this is just the tip of the iceberg.

The findings might surprise you or strongly resonate with you. But above all, we hope you gain valuable insights from this report that will help shape your recruitment and retention strategy for the future.

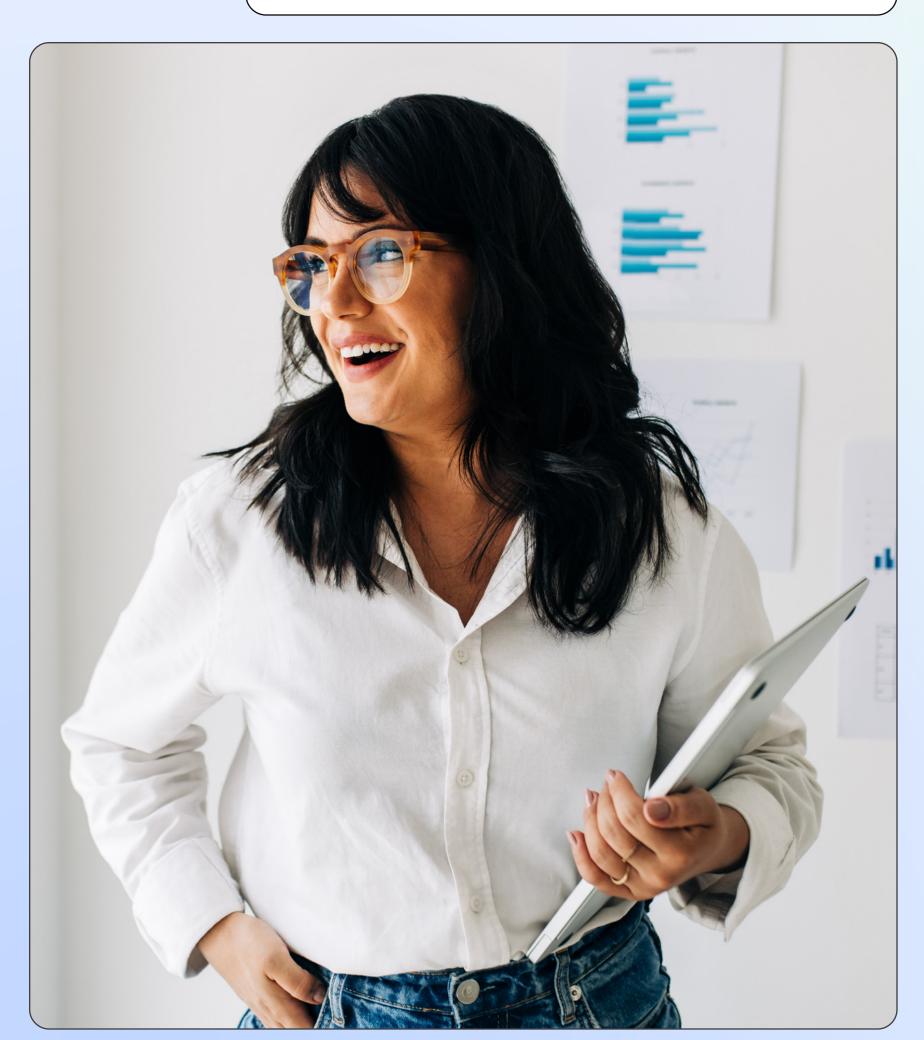


The Team at Employment Hero



FINDINGS 2





On average, it takes hiring leaders 29 days to fill a role in Australia and New Zealand — the quickest out of all the other countries we surveyed (Singapore, Malaysia & the UK).

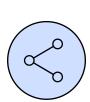


Hiring leaders spend 39 hours per week on hiring activities, and the most time consuming activities are candidate interviewing (7 hours per week), candidate screening (6 hours per week) and candidate testing (5 hours per week).

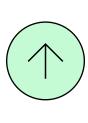


75% of hiring leaders agree that small businesses struggle to compete for talent with multinational corporations, and 64% agree that the costs of accessing job boards are prohibitive for SMEs.

Advertising rates have increased by 81% over the past year — it costs on average \$5,380 to advertise a role in Australia, while it costs on average **\$6,429** in New Zealand.



The top 3 reasons for the rise in hiring costs are the increase in salaries due to the rising cost of living (46%), labour shortages (40%), as well as increased job board posting costs (28%).



NUMBER OF CANDIDATES

Across Australia and New Zealand, hiring leaders receive an average of 25 candidates per open role. But does an organisation's size affect the number of applicants received per role? And how does this impact the total time taken to fill a role? Let's dive into the survey results to find out more.

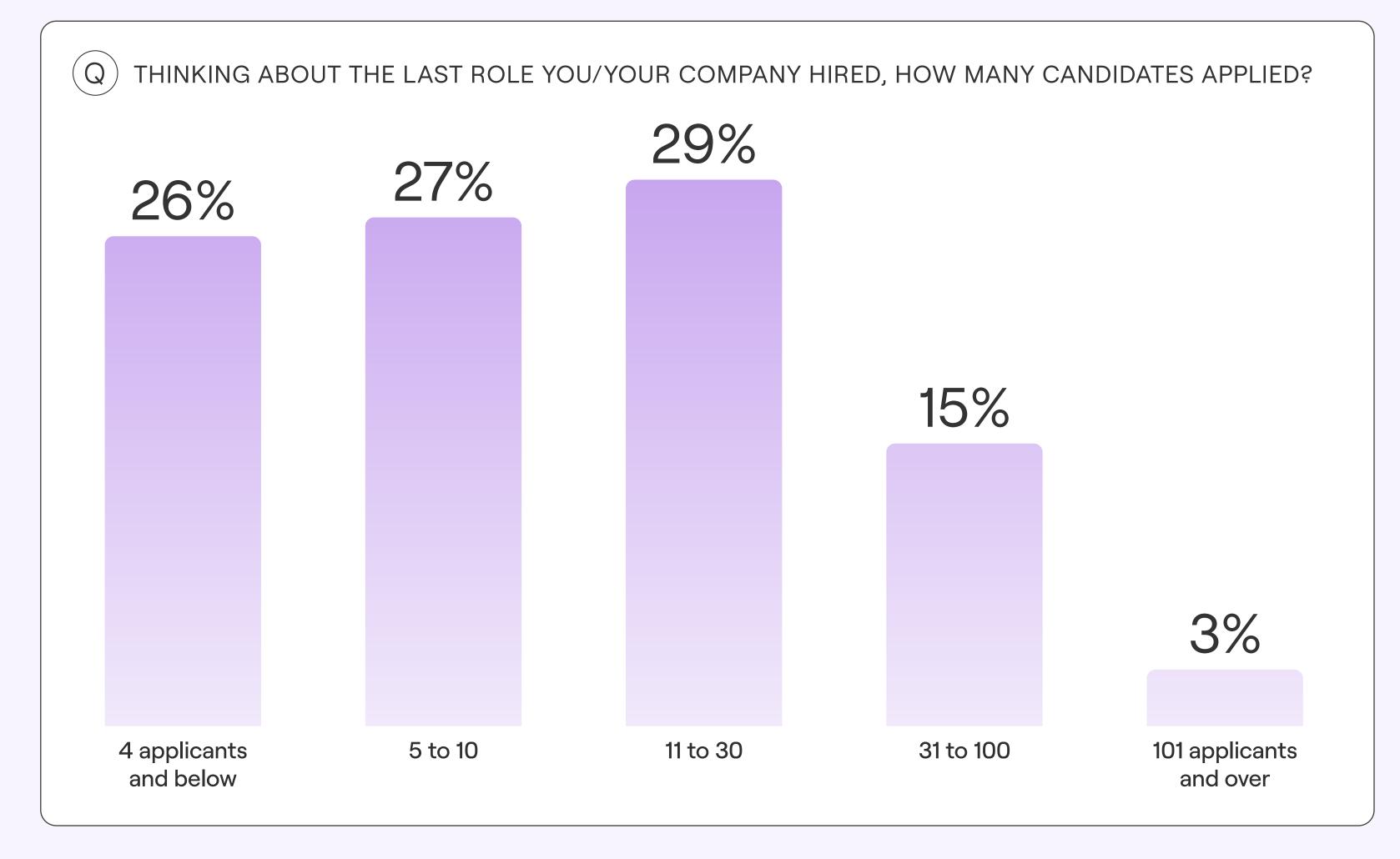


TIME TO HIRE

SLIM PICKINGS FOR SMALLER ORGANISATIONS

More than a quarter (26%) of hiring leaders surveyed said they received 4 or fewer applications for their last open role, while another 27% received 5–10 applications. This means slim pickings for more than half of those surveyed. In fact, only 3% of hiring leaders received more than 101 applications.

The number of applicants received varies across the size of the organisations too. Microbusinesses with less than 10 employees were **98**% more likely to have 4 applicants or less, while larger businesses (with 201–500 employees) had an average of 50 applicants for their last open role.

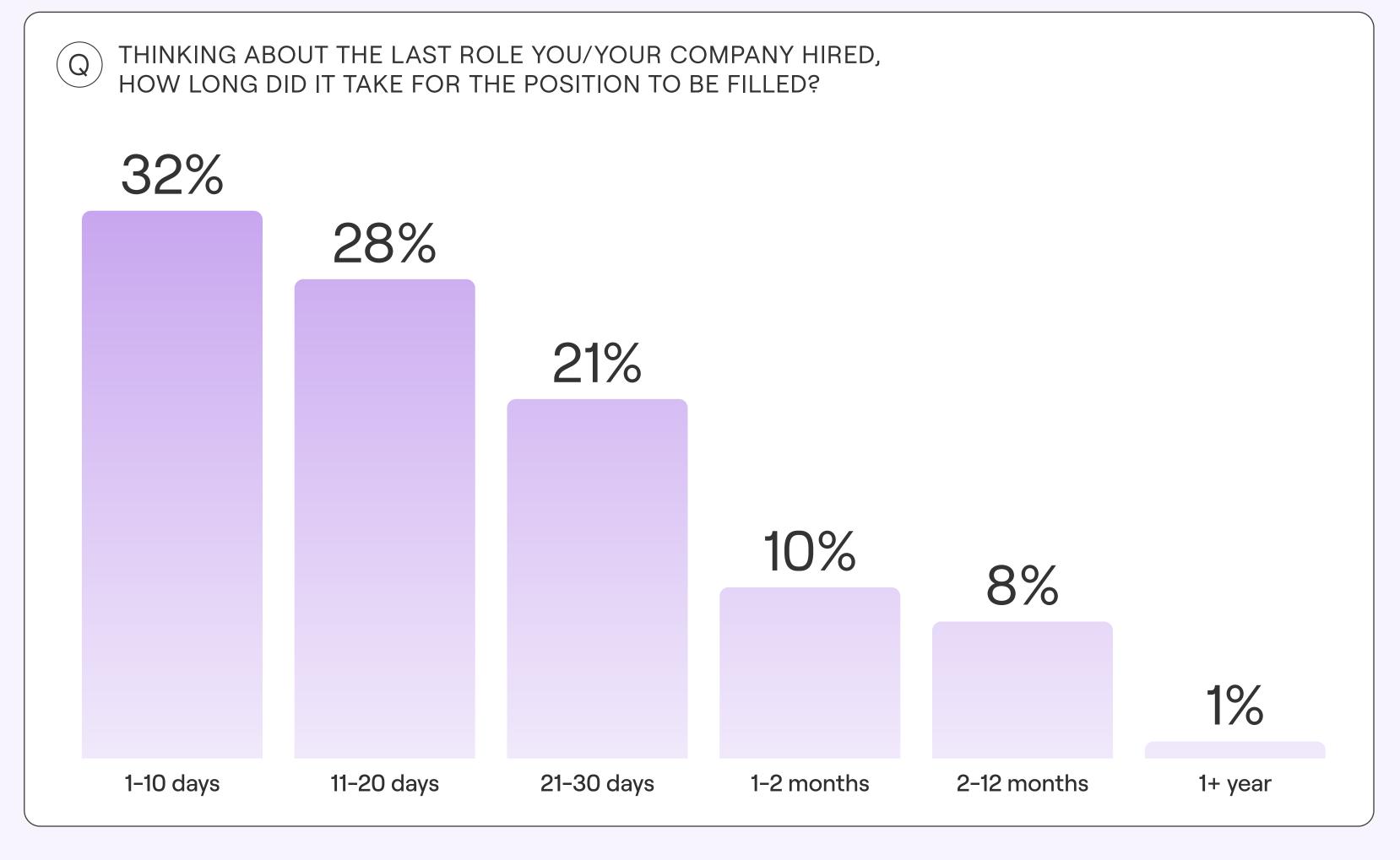


MICROBUSINESSES FILL ROLES QUICKLY

On average, it takes 29 days for hiring leaders to fill a role. A large majority **(81%)** of hiring leaders surveyed say it takes a month or less to fill a position.

Hiring leaders in microbusinesses also experienced hiring times that far exceeded the speed of larger organisations, with **48**% saying it only took them 1-10 days to fill their last role. It's clear that microbusinesses have a competitive advantage in hiring fast and finding the right people quickly.

On the other hand, despite being able to hire quickly, 4% of hiring leaders in microbusinesses also said it took them more than a year to fill their last role. None of the other larger organisations with 10 or more employees faced the same issue — everyone else was able to fill their last role within a year. This could be attributed to the fact that larger organisations are able to provide better salaries and employee benefits, thus leaving microbusinesses at a disadvantage in attracting talent.



HERO TIP



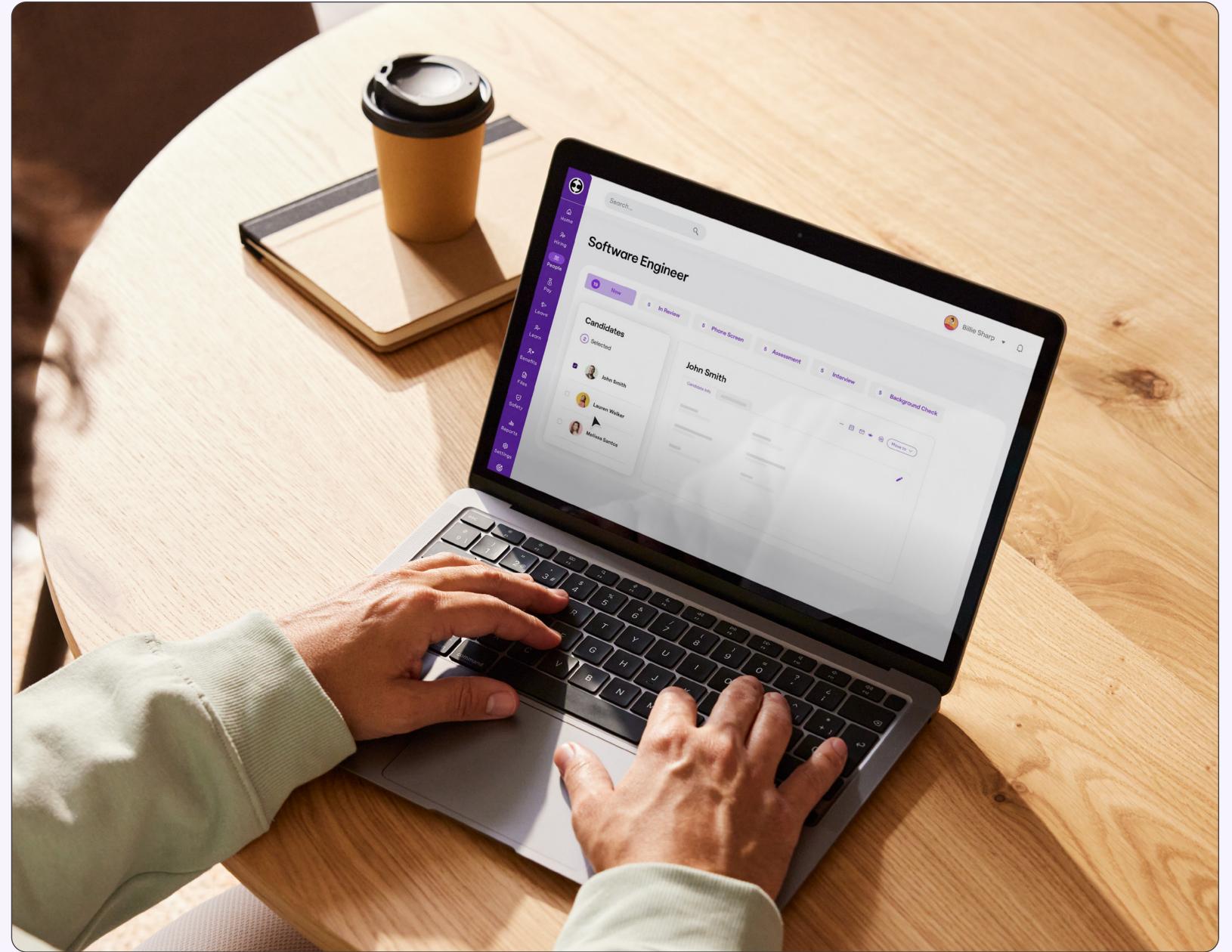
Getting through the entire recruitment lifecycle can be a lengthy process. But if you're keen to cut down the time to hire and achieve quicker hiring rates like microbusinesses, why not leverage an applicant tracking system?

For those unfamiliar with the term, an Applicant Tracking System or ATS is recruitment automation software that helps organisations streamline their hiring process and talent acquisition tasks, such as job postings, resume screenings, interview schedules, and communication with job seekers.

Employment Hero's ATS can help you transform your recruitment process completely — so you can reach all the right people in all the right places, and manage candidates with ease. Post to integrated job boards with a single click and funnel talent swiftly through your recruitment pipeline, all from one platform.

Click here to find out more AU NZ





THE GROWING COST OF

Rising cost pressures have become a key concern for businesses in <u>Australia</u> and <u>New Zealand</u> over the past year, and hiring costs are no exception. What are the key factors contributing to the increase in hiring costs and what can businesses do to help alleviate it? Let's dive into the findings.

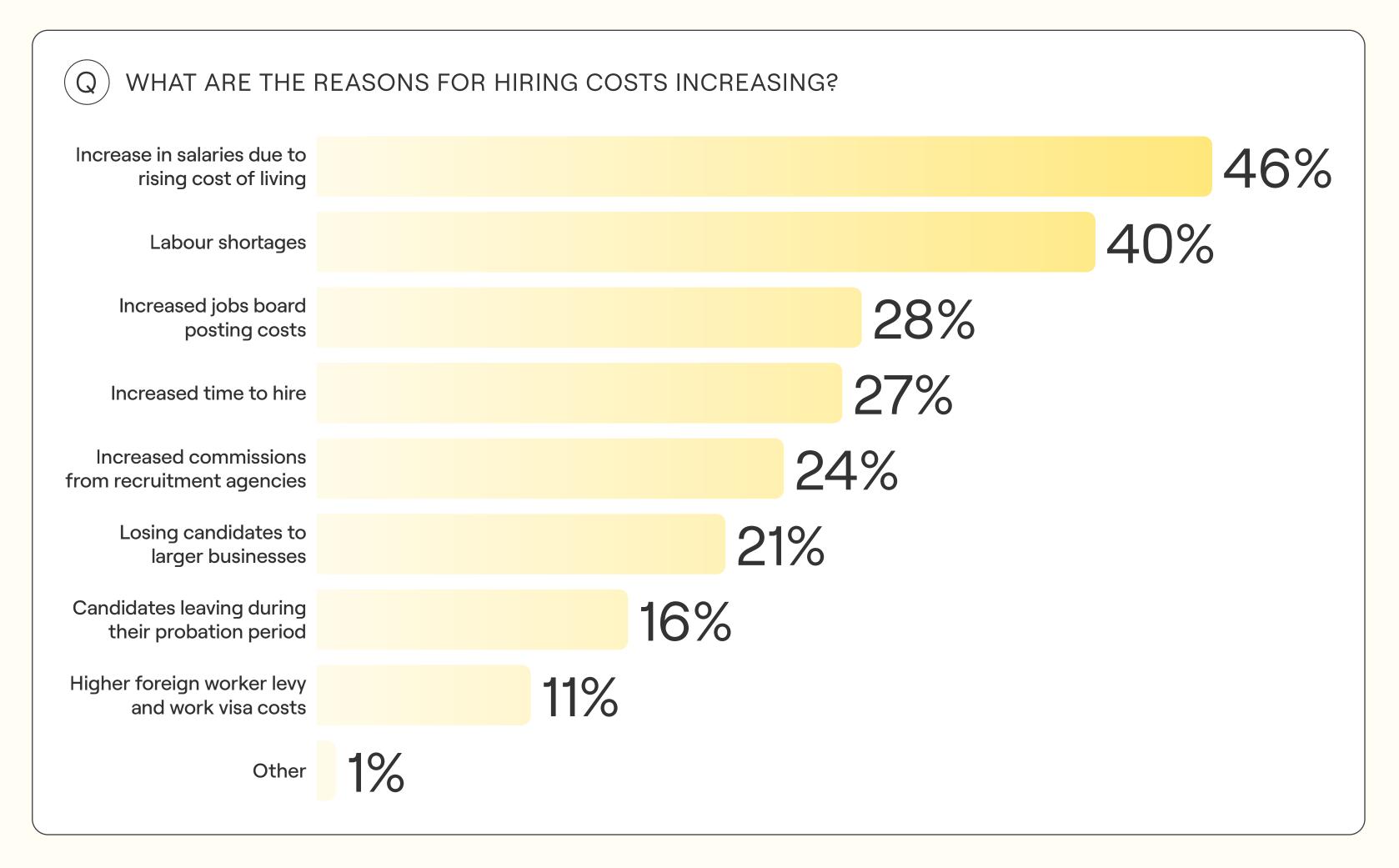


HIRING

THE RISING COST OF LIVING IS HIKING UP RECRUITMENT COSTS

The top reasons contributing to the increase in hiring costs are the increase in salaries due to the rising cost of living (46%), labour shortages (40%), as well as increased jobs board posting costs (28%).

With living costs reaching an all time high in Australia and New Zealand, it's no wonder businesses are feeling the pinch. The higher the cost of living, the more emphasis is placed on salaries with talent asking for higher wages — thus raising the bar for hiring costs.



LEADING FACTORS FOR INCREASING HIRING COSTS VARY BY BUSINESS TYPES

Hiring leaders from companies with 31–99 employees were more likely to be impacted by the increased commission from recruitment agencies (32%), as compared to those with 100–200 employees (28%) and those with 201–500 employees (27%). This is likely due to the reliance of mid-sized companies on recruitment agencies for hiring, while microbusinesses usually handle the recruitment process themselves and larger multinational companies have dedicated in-house recruitment teams.

On the other hand, hiring leaders from larger organisations (with 200–500 employees) were more likely to cite labour shortages (49%), increased time to hire (37%) and losing candidates to larger businesses (35%) as their top reasons for increased hiring costs, apart from the rising cost of living.

In terms of industry comparisons, hiring leaders in the Hospitality, Retail and Tourism industries were the hardest hit by the increase in salaries due to the rising cost of living (54%). This is likely because the pandemic resulted in labour shortages, and due to their reliance on casual, freelance or part-time staff, employees have the upper hand in choosing the job they want with the highest remuneration. Businesses have to offer competitive salaries to get their roles filled, or be left with continual staff shortages.

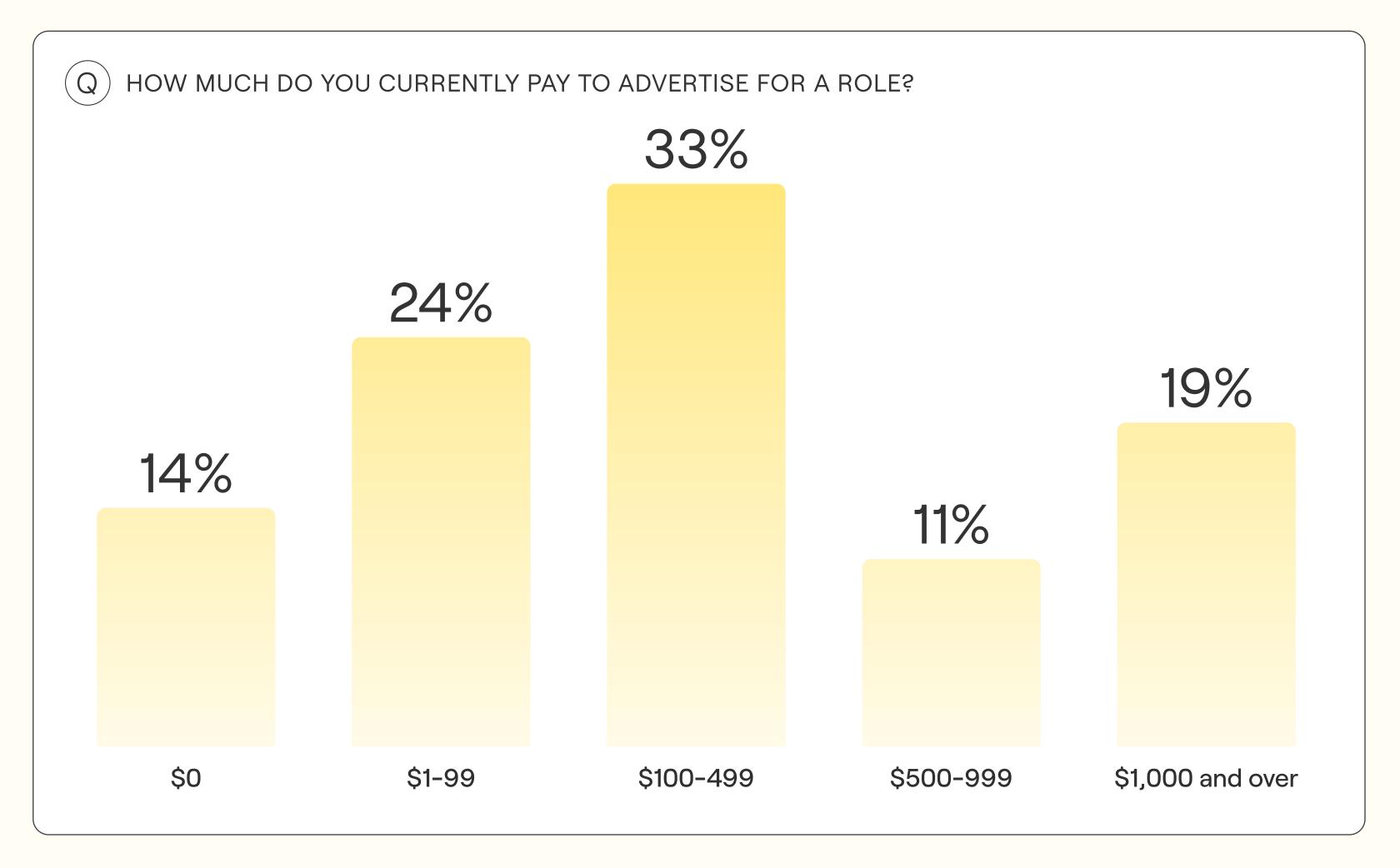


HOW MUCH DOES IT COST TO ADVERTISE A ROLE?

In Australia, it costs on average \$5,380 to advertise an open role, but the median is a mere \$200 — which means that for **50%** of hiring leaders, it costs less than \$200 to advertise a role. In New Zealand, it costs on average \$6,429 to advertise an open role, but the median is a mere \$123 — which means that for **50%** of hiring leaders, it costs less than \$123 to advertise a role.

Why is there such a huge difference between the average and median advertising costs? It's due to the fact that 14% of hiring leaders pay absolutely nothing (yes, \$0) to advertise a role, while 19% pay \$1,000 or over.

Comparatively, it's slightly more expensive to advertise for a role in New Zealand than in Australia. For the most part, representation across the different ad cost bands is similar between Australia and New Zealand — the only exception is that 27% of NZ hiring leaders pay between \$1-99 in ad costs, compared to 20% of hiring leaders in Australia who pay the same amount.



Unsurprisingly, microbusinesses (1–9 employees) were **78**% more likely to not pay any ad costs — with just over one quarter **(26%)** of hiring leaders in this group saying they did not pay anything. Larger companies with 201–500 employees paid the most in advertising costs, with **28**% of hiring leaders saying they paid \$1000 and over to advertise a role.

In terms of industry comparisons, **30**% of hiring leaders in the Hospitality, Retail and Tourism sectors paid between \$1-99 in advertising costs, while **31**% of hiring leaders in the Finance, Tech and Business Services industries paid \$1,000 or over. This clearly reveals the different hiring tactics between industries. Those in the Finance, Tech and Business Services sectors are more likely to require extensive jobs board postings to reach the relevant talent than those in the Hospitality, Retail and Tourism sectors which use a variety of hiring avenues including social media communities and messaging channels that are more informal and affordable.

For the **14**% of hiring leaders who paid nothing at all to advertise their roles, it's likely that they gained suitable candidates from referrals or other resources like Facebook groups, Gumtree, Trade Me, hiring notices on their windows, walk-in candidates and more.

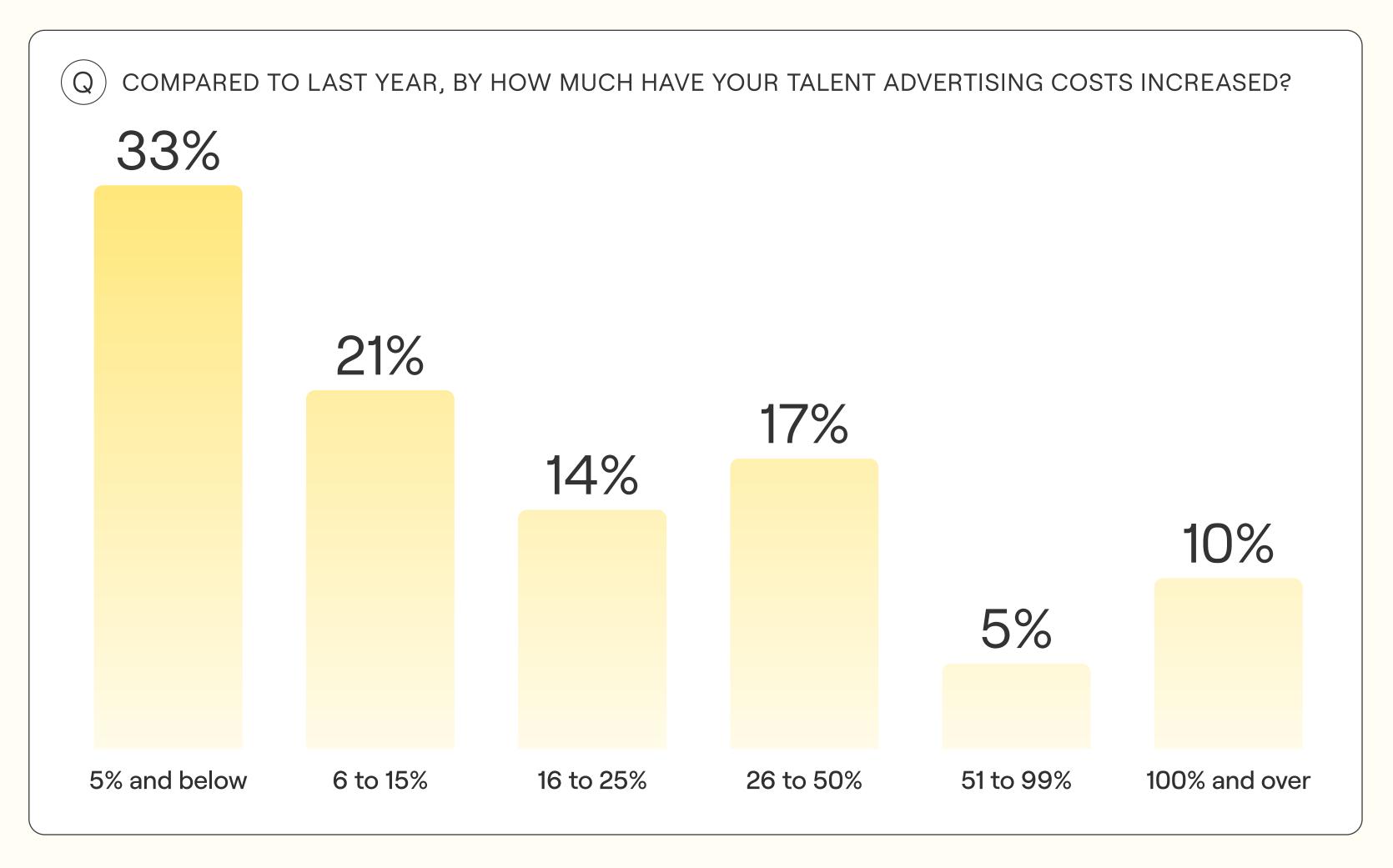


ADVERTISING RATES HAVE INCREASED BY 81% OVER THE PAST YEAR

When asked how much advertising costs have increased compared to the previous year, hiring leaders said they increased by 81% on average. The majority (33%) said it had increased by 5% or less. However, for 10% of hiring leaders, advertising costs have doubled or more.

The average increase for job advertising costs was higher for New Zealand (+92%) compared to Australia (+70%). This is because 7% of hiring leaders in New Zealand said advertising costs have increased by 51–99% compared to just 3% of hiring leaders in Australia, and 12% of hiring leaders in New Zealand said advertising costs have doubled or more compared to just 7% of hiring leaders in Australia.

Across organisation sizes, microbusinesses had the lowest increase in advertising fees, with an average increase of **35**%. This is because for almost half **(47%)** of this group, advertising fees have only increased by **5**% or less. For hiring leaders in larger organisations (201–500 employees), the majority **(37%)** said that fees increased between **6–15**%.



HERO TIP



Keen to lower your hiring costs? Employment Hero can help. Swag is the world's first employment superapp, created by the Employment Hero team. You can find and retain great talent while also supercharging your employer brand.

SmartMatch gives you access to a marketplace of work-ready candidates, where you can take your pick of talent and manage the end to end hiring process easily. With a **FREE** applicant tracking system and FREE job postings, you'll be reducing your cost per hire and time to hire significantly.

Click here to find out more AU NZ





NEW HIRE TURNOVER AND

One of the main reasons contributing to the increase in hiring costs was candidates leaving during their probationary period (16%), as shown in the previous section. Our survey found that on average, 17% of candidates do not pass probation or remain in their role after the first 6 months.

Having new hire turnover brings about more costs because you have to restart the entire recruitment cycle again. How does this statistic compare to your organisation? And are you currently doing anything about it?



TALENT SHORTAGES

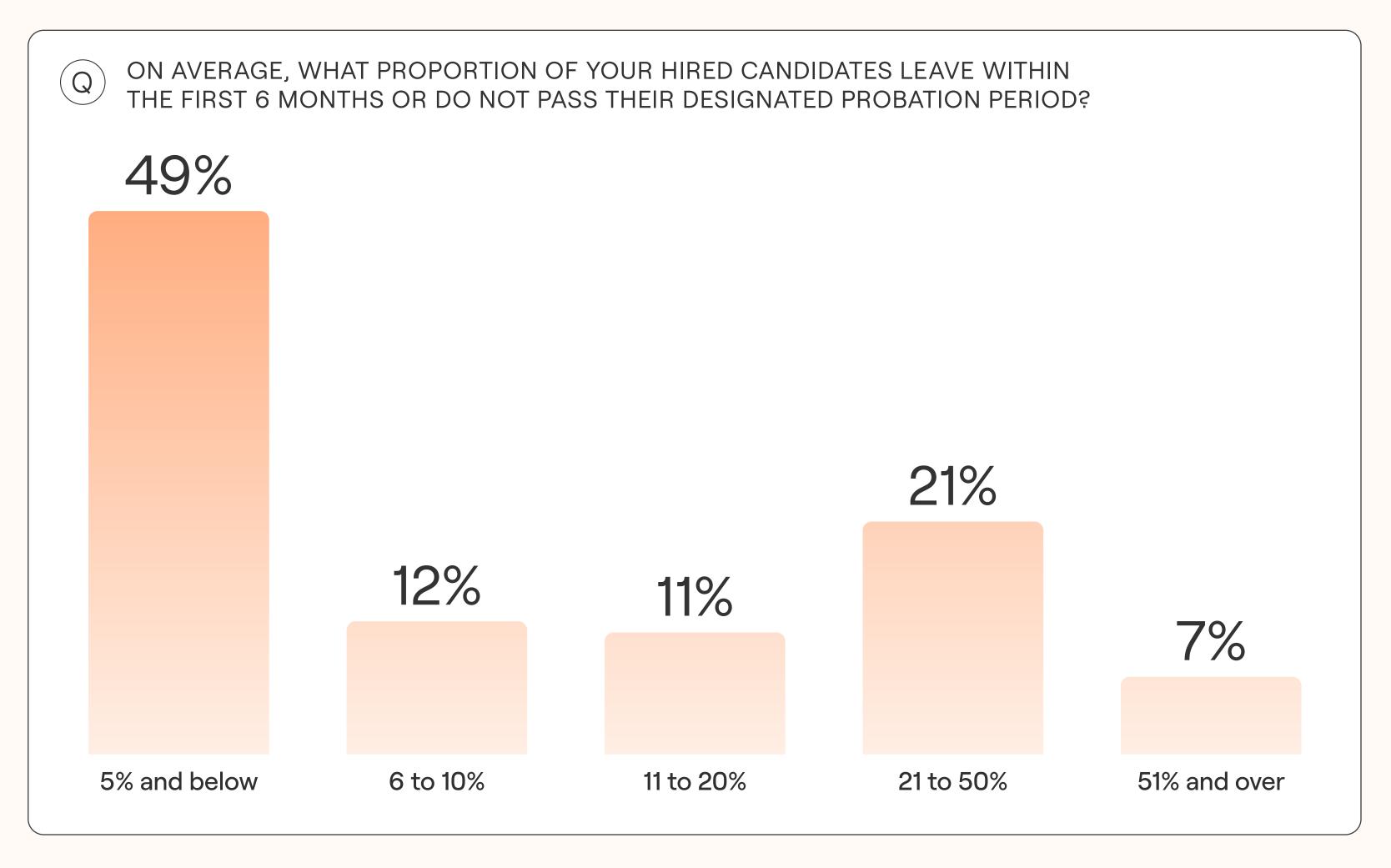
NOT ALL NEW HIRES STAY

The majority **(49%)** of hiring leaders say only **5%** or less of their new hires leave within the first six months. However, for **7%** of hiring leaders, the new hire turnover rate is **51%** and over.

On average, new hire turnover is lower in New Zealand compared to Australia (15% vs 19%). This is because 55% of hiring leaders in New Zealand have a turnover rate of 5% or less, versus 43% in Australia. In addition, 25% of hiring leaders in Australia have a new hire turnover rate of 21–50%, as compared to just 16% in New Zealand.

New hire turnover rates are the lowest for microbusinesses — 61% of hiring leaders say only 5% or less of their new hires leave. It is higher in small to mid-sized organisations however — 11% of hiring leaders in businesses with 10-30 employees have a turnover rate of 51% and over, while 29% of hiring leaders in businesses with 31-99 employees have a turnover rate of 21-50%.

Turnover rates for hiring leaders in the Construction, Manufacturing, Agriculture, Transport and Wholesale industries are the highest on average at 21% — in fact, 11% of leaders in this group have a new hire turnover rate of 51% and over. On the other hand, hiring leaders in the Finance, Insurance, Tech and Business Services sectors have the lower turnover rate on average at 13%.



Unsurprisingly, new hire turnover rates are a direct contributor to the increase in hiring costs, due to the fact that hiring leaders have to repost the same role multiple times and go through the entire recruiting process again. So if you're keen to keep your hiring costs low, focus on minimising your new hire turnover rates. It might be a good time to evaluate your current recruitment or onboarding process, and identify any gaps or red flags that might be contributing to new hire turnover rates.

Job descriptions (JD) are a crucial part of the recruitment cycle as they help you <u>reach the right person</u> seeking employment, increasing the quality of potential employees applying for the position. A perfect JD should leave the job seeker knowing whether that they are definitely right or wrong for the role.

The JD should be as detailed and as relevant as possible. It should take a deeper dive into the skills required, share insights about how the role fits into the wider company structure, and how it aligns with company values. It should essentially give the applicant all the knowledge they need to undertake the rest of the recruitment process.

As for your onboarding process, we've got tonnes of helpful resources for you. Check out our blog on actionable tips to improve your onboarding process, and our ultimate guide to employee onboarding and induction. Oh, and have we mentioned how important welcome packs are in an onboarding plan? It's definitely one area you can't afford to miss. Here's how you can take your welcome pack to the next level so your new hires are confident your company is where they're meant to be.



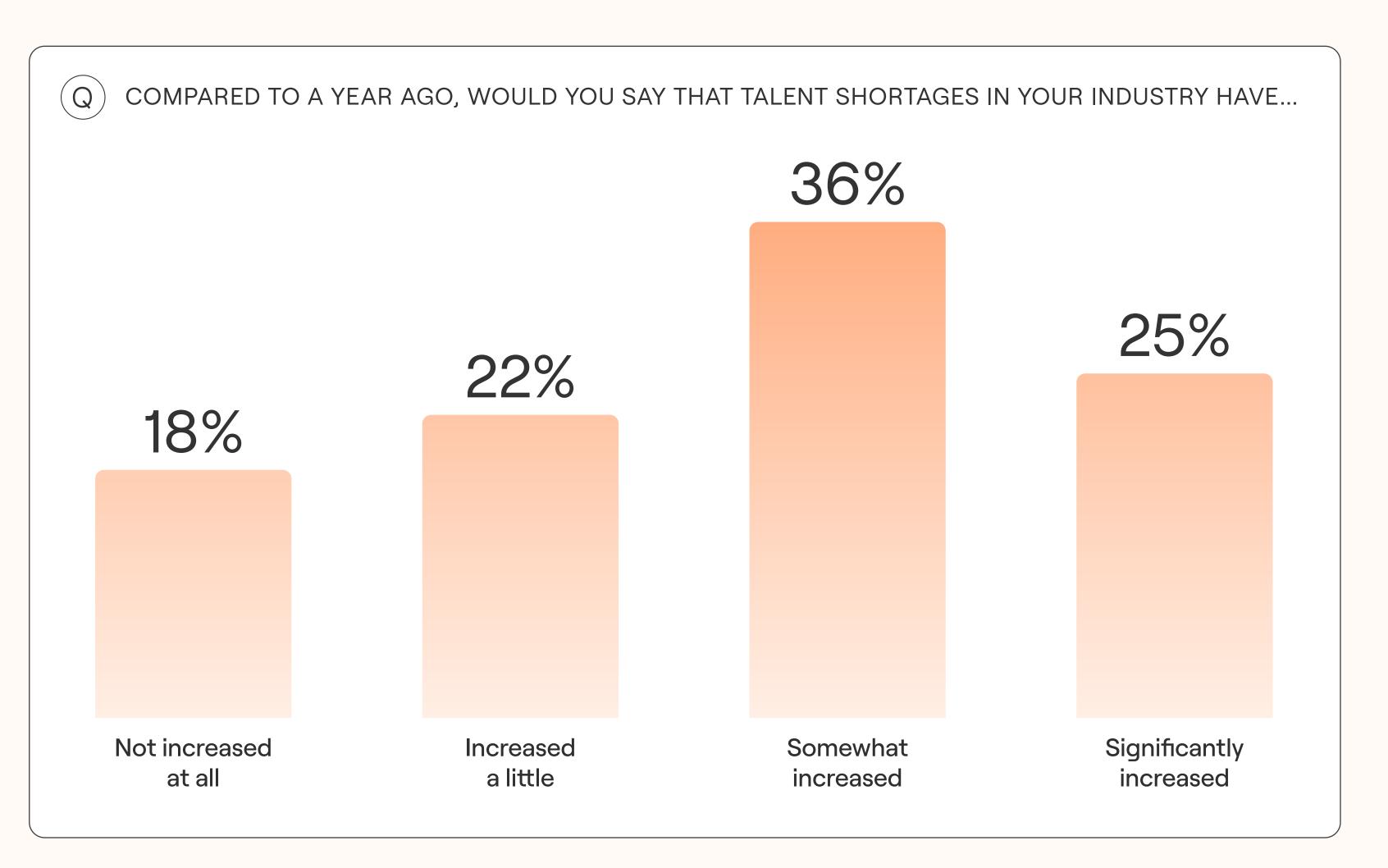
TALENT SHORTAGES HAVE INCREASED IN THE PAST YEAR

A significant majority (82%) of hiring leaders said that talent shortages have increased in the past year, with 25% saying it significantly increased, 36% saying it somewhat increased, and 22% saying it increased a little. Only 18% of hiring leaders said that talent shortages did not increase at all.

These findings are in alignment with recent news that the talent shortage is becoming a huge problem for many employers.

In Australia, an increasing number of small businesses are relying on younger family members to help fill workplace shortages. A report commissioned by the National Skills Commission also revealed that Australia faces a shortfall of almost 200,000 workers by 2050.

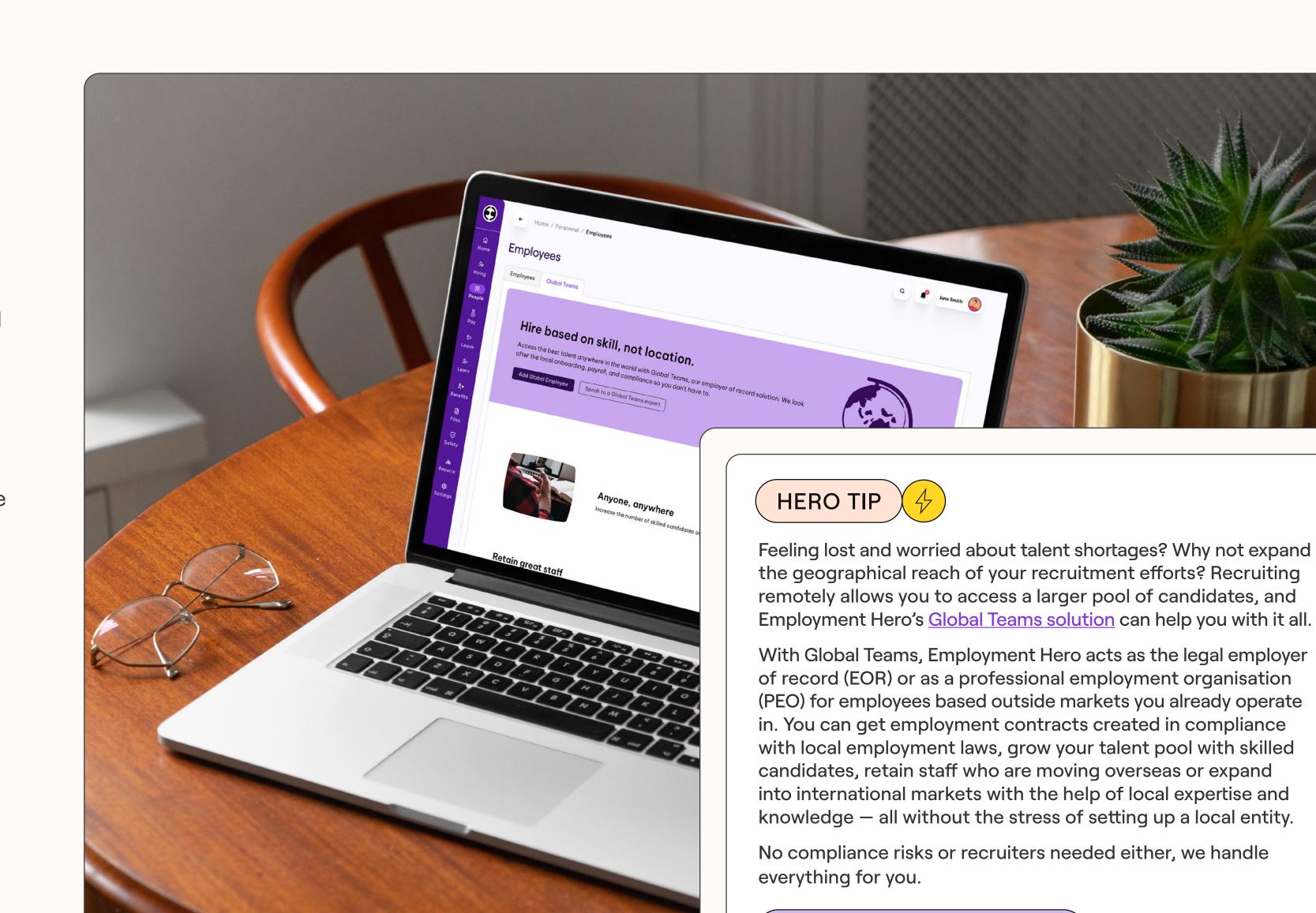
In New Zealand, labour shortages have intensified over time and will intensify further with an ageing population. The country will be short of 250,000 workers by 2048, if current trends continue. This is also on top of 'brain drain' to Australia, which has increased by 42% in the past three months.



Interestingly, microbusinesses were **56**% more likely to say that talent shortages had not increased at all (**28**% in this group did). On the other hand, **37**% of larger organisations (201–500 employees) said that talent shortages have significantly increased.

There are a few reasons that contribute to this disparity — microbusinesses tend to have fewer job openings as compared to larger organisations, and hire quickly via referrals. In addition, they might be reliant on outsourced service providers, freelancers, or contractors to carry out essential work and hence are less impacted by talent shortages.

On the flip side, job openings in larger organisations are more likely to emerge on a frequent basis given the scale of the business, hence hiring leaders are likely to be more affected and aware of ongoing talent shortages.



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THE STRUGGLE OF SMES

Multinational corporations (MNCs) have more resources at their disposal as compared to SMEs. They can afford to offer higher salaries, provide more employee benefits, and have a broader talent pool to pick from. So, how can SMEs compete with them when the odds are stacked against them? Let's hear what hiring leaders have to say.



AGAINST MULTINATIONAL CORPORATIONS

AN UNEQUAL PLAYING FIELD

When asked whether they agree that small businesses struggle to compete for talent with MNCs, **75**% of hiring leaders agreed. More than half **(64%)** also agreed that the cost of accessing job boards is prohibitive to SMEs, while **65**% also agreed that quality technology to assist in the hiring process is out of reach for their budget.

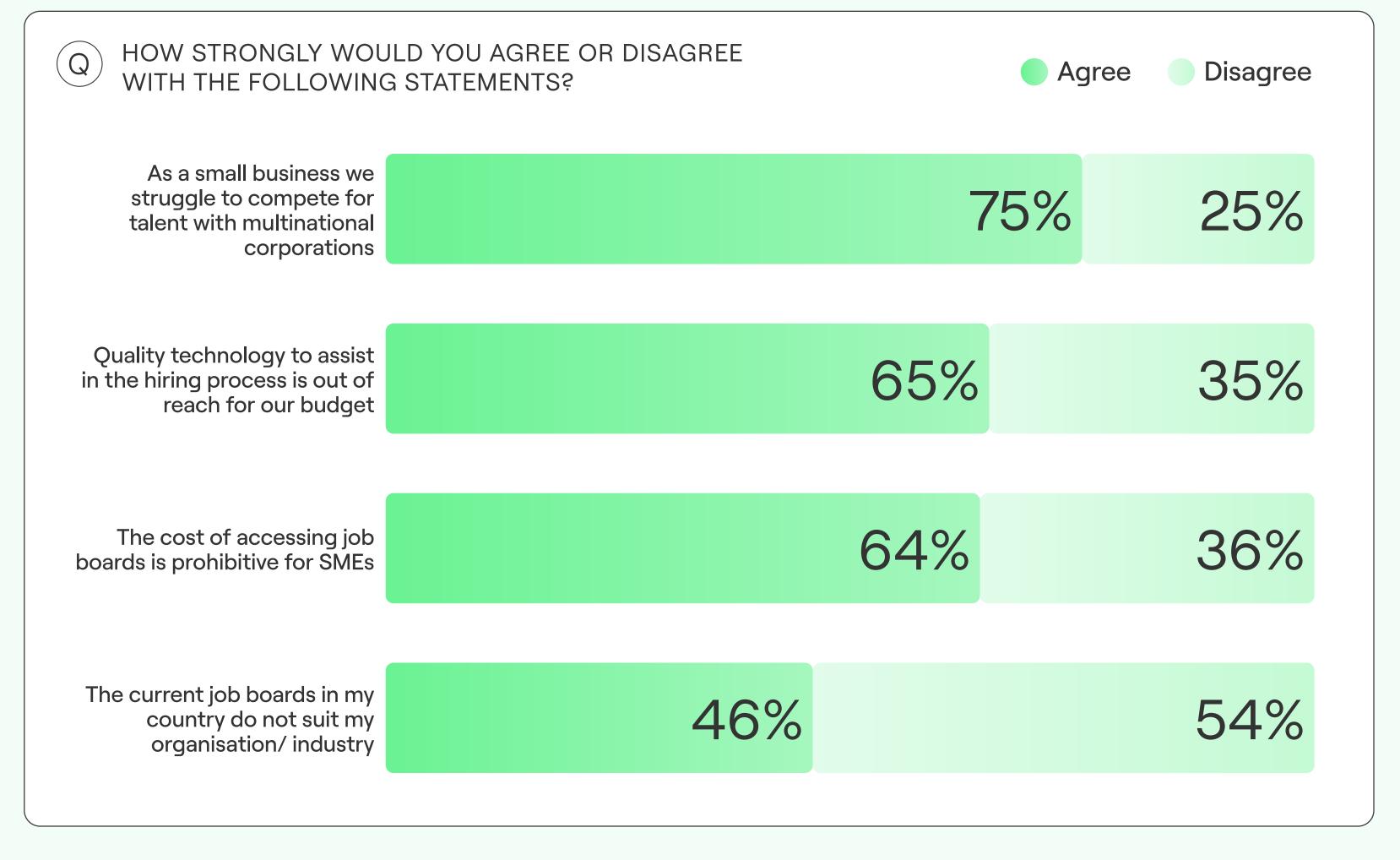
Clearly, the majority of hiring leaders recognise that SMEs face multiple difficulties in hiring as compared to MNCs. With a challenging business environment marked by higher costs, SMEs are already struggling to survive — the competition for talent is only adding further pressure, as SMEs do not have extra budgets available for job boards or hiring technology.

HERO TIP

Job boards shouldn't be out of reach for SMEs. That's exactly why Employment Hero has made our <u>applicant tracking system</u>, which is integrated with candidate-preferred job boards such as Linkedin, Indeed, Seek and more, completely FREE.

With Employment Hero, you can reach all the right people in all the right places, and advertise your jobs with ease. Fret no longer over exorbitant jobs board posting costs — we've got your back. We want to empower all SMEs with the ability to effortlessly advertise, hire, and onboard staff from a single platform, without blowing your budget.

Click here to find out more AU NZ



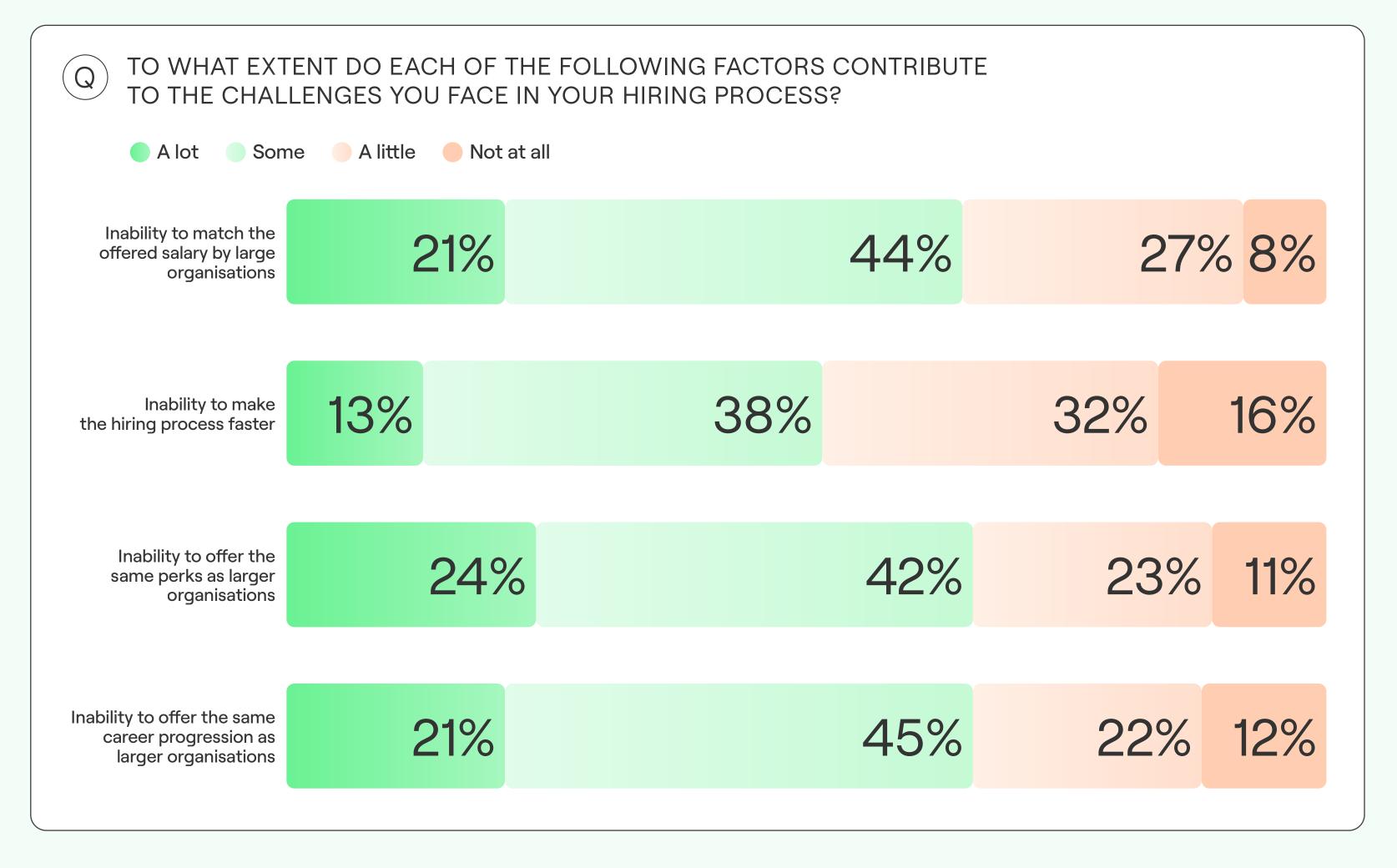
A WHOLE HOST OF HIRING CHALLENGES

When asked about the hiring challenges they faced, **92**% of hiring leaders said that challenges experienced in the hiring process were due to their inability to match the offered salary by large organisations, **89**% said it was due to the inability to offer the same perks as larger organisations, and **88**% said it was due to the inability to offer the same career progression as larger organisations.

A large majority **(84%)** also said it was the inability to make the hiring process faster. While businesses on the micro end can generally hire faster and quicker than larger organisations, this becomes harder as the organisation grows beyond ten employees.

It's no surprise why employees might prefer to work for MNCs over SMEs. They have larger hiring budgets, offer extensive employee benefits and have more prestigious reputations. But as the future of work continues to evolve, and demands for work-life balance, along with flexible work arrangements increase, businesses must adapt quickly to ensure an agile work environment. And in this regard, SMEs have advantages over their larger competitors.

To tackle the unequal playing field, SMEs need to emphasise their advantages when it comes to recruitment — such as the ability to offer tailored employee packages, greater flexibility in working arrangements, a hands-on working culture, and more.



Candidates will get the ability to be a 'big fish in a small pond' — their achievements and contributions will be far more visible and directly impact the business, and they will also face less competition for progression and salary increments.

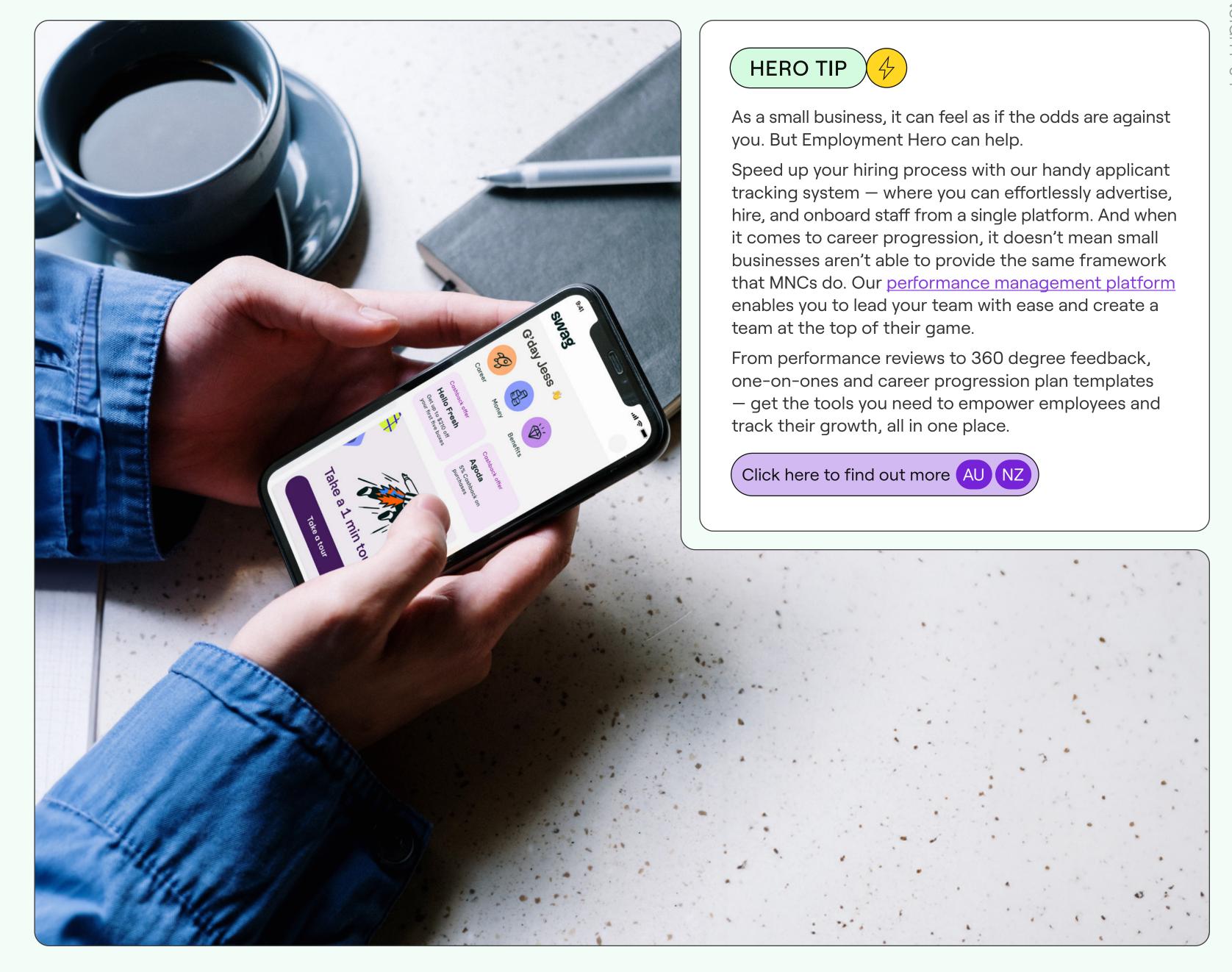
So yes, if you're a small business with small budgets going against MNCs with deep pockets that can pay top dollar for employee salaries, you're likely to get outpriced. But be strategic in showcasing your strengths and you'll find that you can compete against MNCs in other areas like culture, flexibility, and growth. It's all about having a strong employee value proposition (EVP).

To thrive and attract top-notch talent amidst a competitive landscape, SMEs must take a more strategic approach centred on authentic values and a compelling mission. Establishing a clear mission is paramount. When individuals witness a business passionately pursuing a greater purpose, they are naturally attracted to become part of the journey.

Having commitment to authentic company values allows candidates to find alignment with their personal principles. In addition, when a business fosters a sense of belonging and loyalty, focusing on nurturing a dynamic and dedicated workforce, it serves as a magnetic force in pulling in like-minded individuals. And of course having as a super strong EVP helps too, get creative!



Natalie Hatchard, Talent Acquisition Manager (ANZ) at Employment Hero



WHAT TAKES UP THE MOST TIME IN THE

A large majority (84%) of hiring leaders cited their 'inability to make the hiring process faster' as contributing to the challenges they faced in their hiring process, as shown in the section above. It may not be the most pressing problem for hiring leaders, but it does hinder the hiring process significantly.

How many hours are hiring leaders currently spending on the entire recruitment cycle, and how can they further cut down time spent on these tasks? Let's find out.



RECRUITMENT
CYCLE?

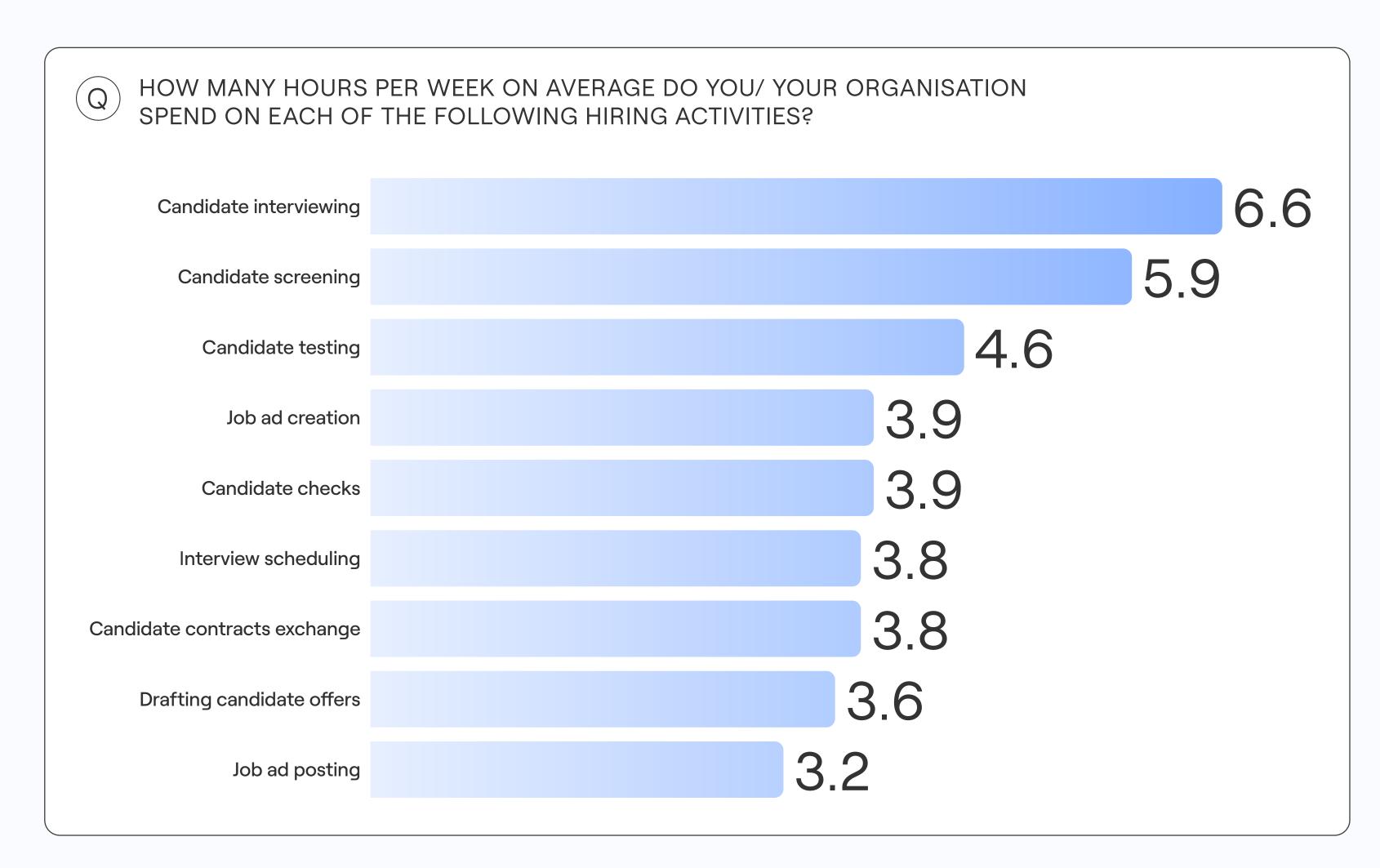
CANDIDATE INTERVIEWING, SCREENING, AND TESTING

Our survey found that on average, hiring leaders spend more than 39 hours per week on hiring activities. The most time consuming activities are candidate interviewing (7 hours per week), candidate screening (6 hours per week) and candidate testing (5 hours per week).

The hiring process was more time-consuming for hiring leaders in larger organisations (201–500 employees), who spent an average of 49 hours per week on hiring activities. Their most time-consuming activities were candidate screening (8 hours per week), candidate interviewing (7 hours per week) & candidate testing (7 hours per week).

On the other hand, microbusinesses were the most efficient at hiring activities — they spent 28 hours per week on average. The most time-consuming activities for them were candidate interviewing (5 hours per week), candidate screening (4 hours per week) and interview scheduling (3 hours per week).

Interestingly, there were little differences between Australia and New Zealand, with the exception of candidate testing which took longer in Australia (5 hours per week) compared to New Zealand (4 hours per week). Candidate testing seems to be a significant part of the hiring process, especially in Australia — where it can be seen as a good method to evaluate candidates on their skills and abilities, and whether they can perform in the role.

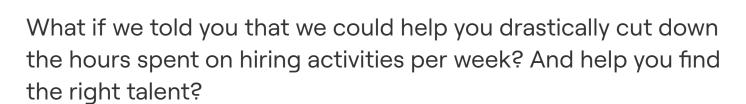




Hiring activities were also less time-consuming in the Education, Government, Cultural, Healthcare and Social Services (29 hours per week) and more time-consuming in the Finance, Insurance, Technology, Business and Professional Services industry (44 hours per week). This is likely due to the fact that there are fixed hiring procedures to be followed in the Education, Government, Cultural, Healthcare and Social Services sectors — hence they are more streamlined and efficient.

Hiring leaders who claim that talent shortages have increased also spent more time on average on hiring activities (42 hours per week), compared to microbusinesses who said talent shortages have not increased (26 hours per week). This is understandably so, as hiring leaders facing talent shortages would be forced to spend more time ramping up efforts on hiring activities and trying to attract more applicants.

HERO TIP



Swag, the world's first employment superapp created by the Employment Hero team, can help you find candidates quickly and efficiently. For Q2 2023, we found that on average, hiring managers reduced their time to hire by a whopping 63% using the Swag Jobs board, and onboarded their new starter 18 days earlier than candidates sourced from other job boards. That's an incredibly significant difference!

Sit back, relax, and leave the heavy lifting to us. We're here to empower you with the tools you need to streamline your recruitment cycle and make it more efficient.

Click here to find out more AU









CONCLUSION

It's no secret that the recruitment market is constantly changing and is susceptible to economic conditions.

Keeping up with the latest trends and changes as a result of that can be incredibly time-consuming and taxing for businesses who already have a lot on their plates. We hope this research has shed some light on the state of hiring in Australia and New Zealand, and provided you with valuable insights that can help you transform and streamline your recruitment process.

We understand that the data can be a lot to digest. To help, below are a few action points for employers looking to cut hiring costs and still be able to get the talent they need.

Firstly, invest in an applicant tracking system (ATS). We can't stress this enough — having an ATS is an absolute game changer for your business. If there's anything we've gained from the pandemic, it's that leveraging technology to improve business processes has never been so important. An integrated ATS enables you to advertise, hire and onboard staff seamlessly, all from one place. You can post job ads to multiple job sites with a single submission, integrate with popular job boards, track candidates through the pipeline, build a shortlist, and so on. The benefits are out there for you to enjoy — you simply need to take the first step.

Secondly, if hiring locally ever gets too overwhelming for your business and you just can't seem to find the talent you need, why not expand your horizons? In today's flexible working world, the recruitment opportunities are borderless. Employment Hero's Global Team's service can help you employ the best talent for your team, based anywhere in the world. Get employment contracts created in compliance with local employment laws, without the need for any recruiters, overseas entities, or compliance risks.

Lastly, employee retention. If your employees don't quit, there wouldn't be a need to hire — unless you're expanding business operations of course. Ask for feedback regularly, listen to what your employees want, and create a company culture that brings out the best in your employees. Our Talent Insights Report for <u>Australia</u> and <u>New Zealand</u> previously revealed that apart from a salary increase, employees are looking for a better reward and recognition program, flexible working options, better learning opportunities, subsidised health insurance, monetary bonuses or rewards, and extra leave days that could be used for birthday celebrations, mental health needs, or volunteering.

As always, we wish you, your business and your team all the best in your recruitment journey.

Introducing SmartMatch[™] by Employment Hero

Great talent on speed-dial.

Why hire the hard way? SmartMatch eliminates the painful parts of recruiting — like posting to job boards and sorting through bad applications — so you can get back to doing what you do best.

SmartMatch uses AI to connect standout candidates to your business based on their skills, interests and experience. You get great talent matched to every role, and never have to post to a job board again.

Forget spending hours writing job listings and hundreds of dollars advertising them. SmartMatch predicts future hiring needs and does the hard work for you. With SmartMatch, you can spend less time worrying about staffing — and more time growing your business.

Big business hiring on a small business budget.

Forget expensive advertising and recruiter fees. Why should the big end of town get the best talent? We're levelling the playing field with cost-effective hiring solutions built specifically for SMEs.

Try SmartMatch today →

TALENT MATCHING

Match top talent to your business 24/7.

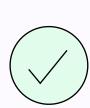
Machine learning and predictive algorithms assess candidates to find the right fit.

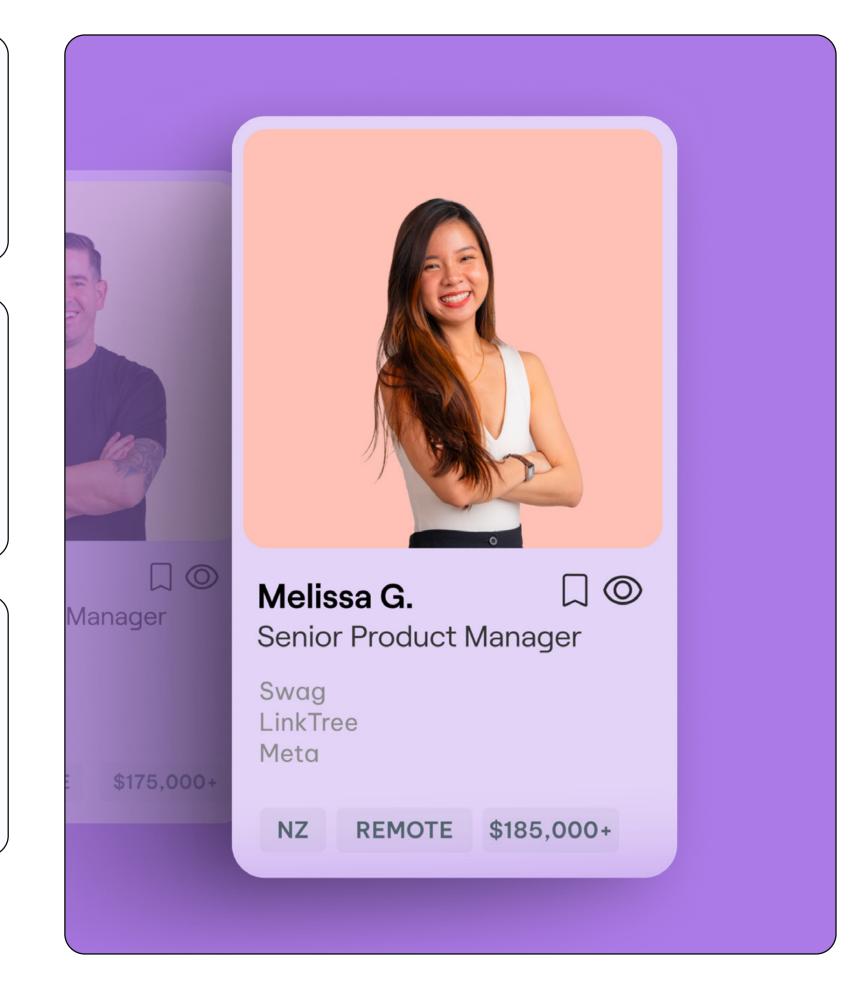
SAVE CANDIDATES FOR LATER

Not ready to hire? Save standout talent for later with easy pipelining. Only external candidates are presented: current employees won't get matched.

BETTER HIRES, FASTER

Find quality talent and chat with them directly. Deliver a seamless recruitment experience, and hire great people at a fraction of the time and cost.

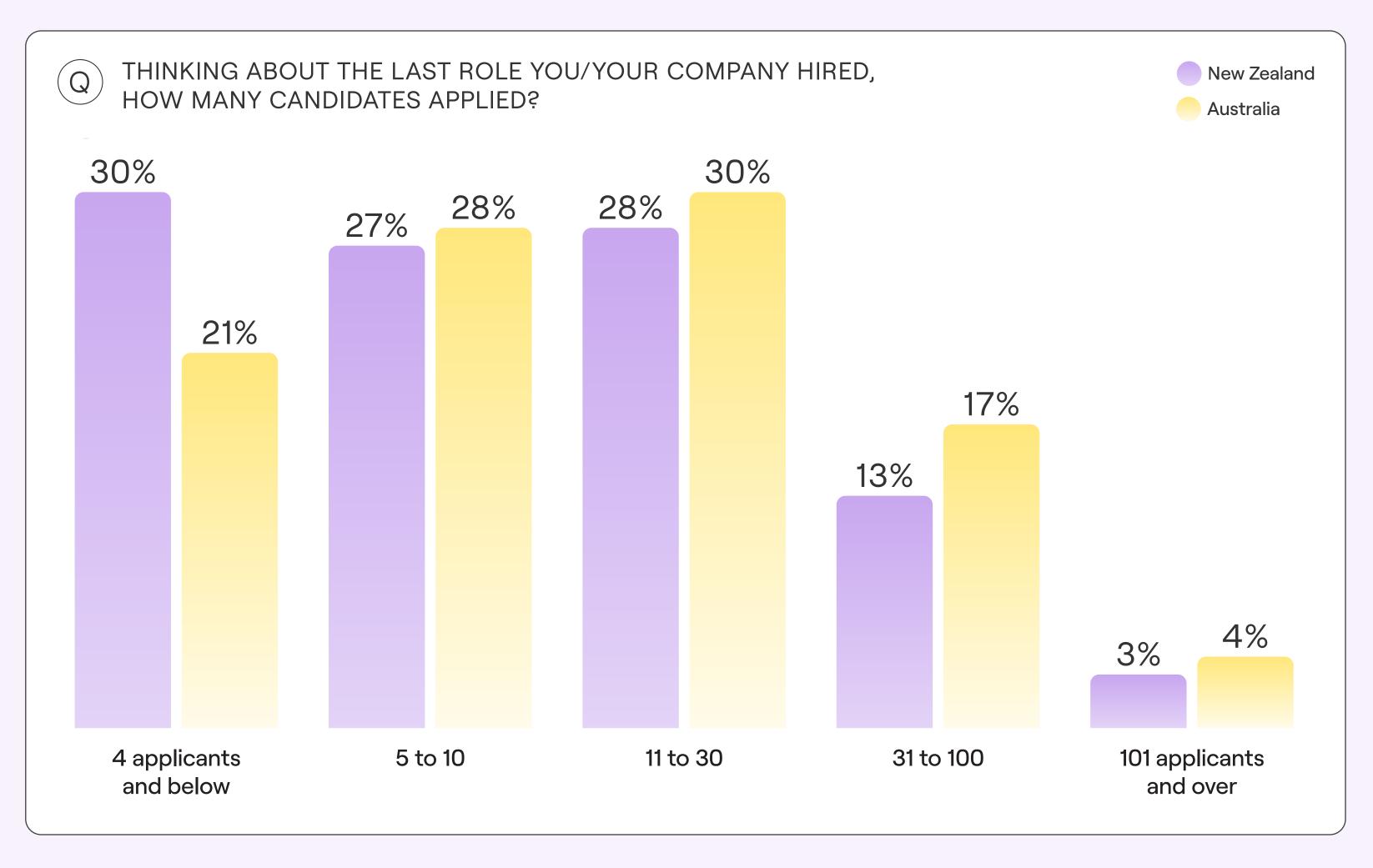






COMPARING AUSTRALIA AND NEW ZEALAND

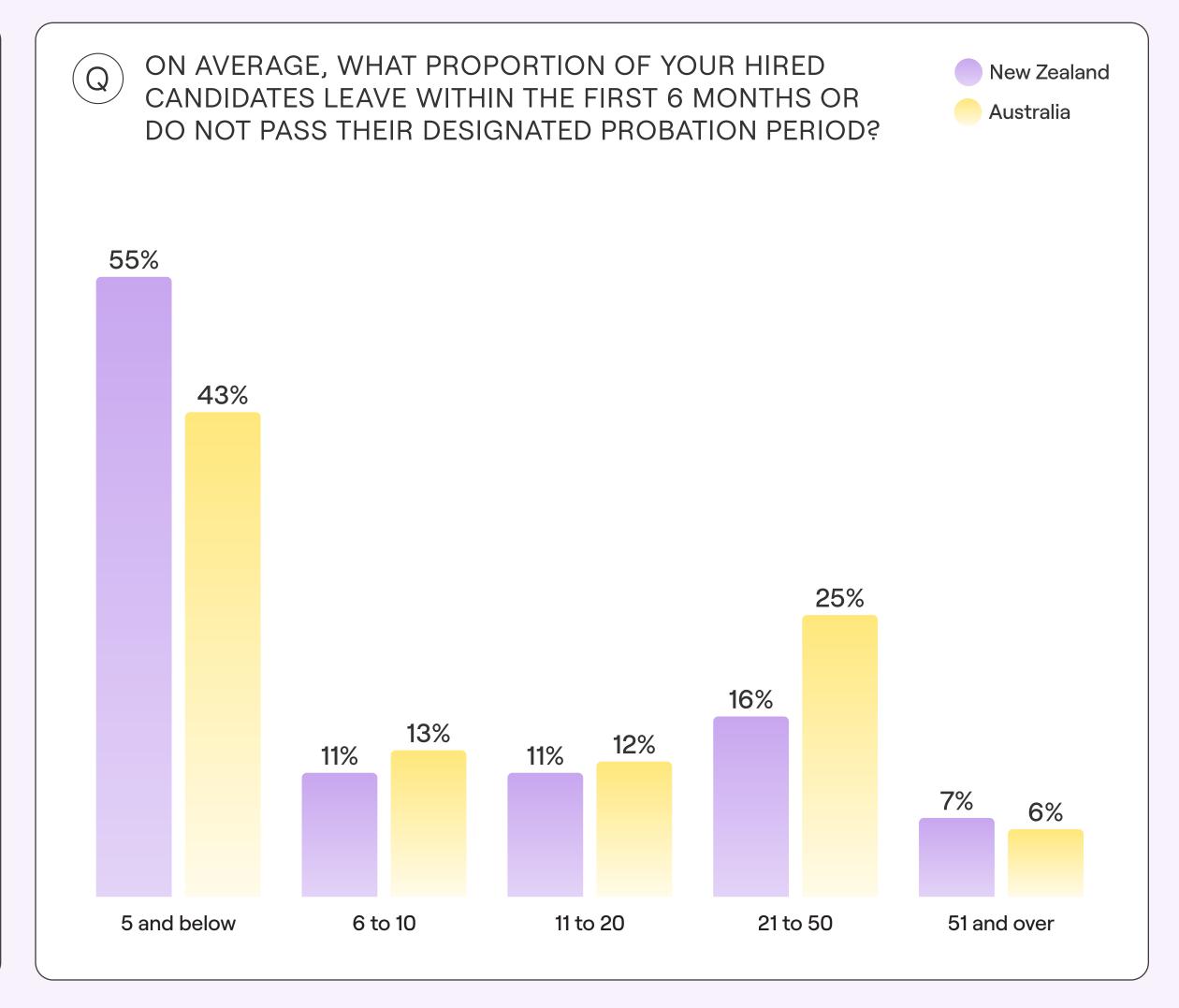
Hiring leaders in Australia received an average of 27 candidates for their last role, compared to hiring leaders in New Zealand who received an average of 23. Hiring leaders in New Zealand are more likely to receive 4 applicants and below as compared to hiring leaders in Australia who are more likely to receive 11 to 30 applicants per role.



The time taken to fill open roles is faster in Australia than New Zealand. Australian hiring leaders are more likely to fill a role within one month or less, compared to hiring leaders in New Zealand (83% vs 78%). In particular, 35% of hiring leaders in Australia said they filled a role within 1-10 days as compared to 29% in New Zealand.

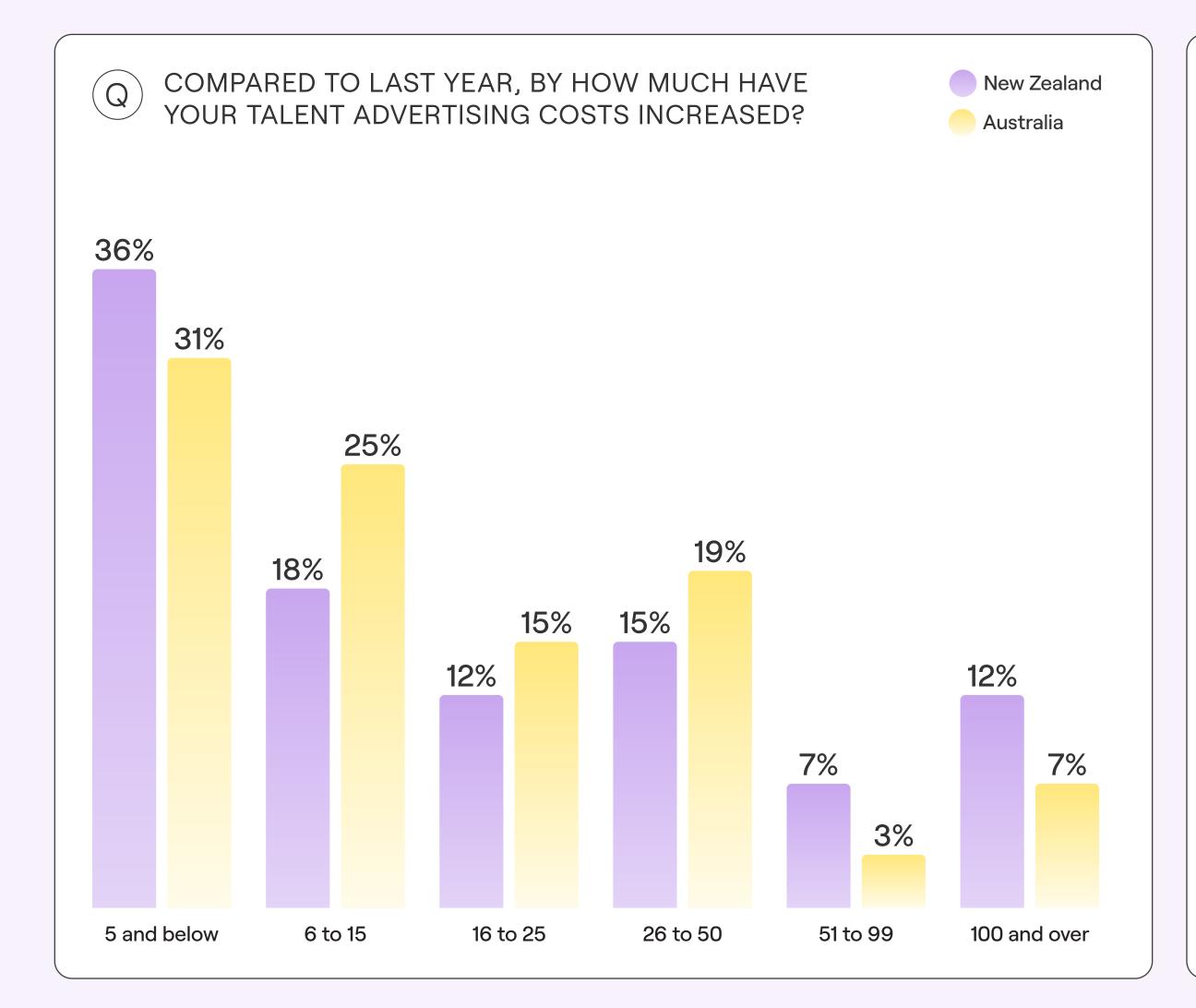
THINKING ABOUT THE LAST ROLE YOU/YOUR New Zealand COMPANY HIRED, HOW LONG DID IT TAKE Australia FOR THE POSITION TO BE FILLED? 83% 78% 35% 29% 22% 1% 1% 1-10 days 1-2 months 11-20 days 21-30 days 2-12 months 1+ year **NET 1 month** or less

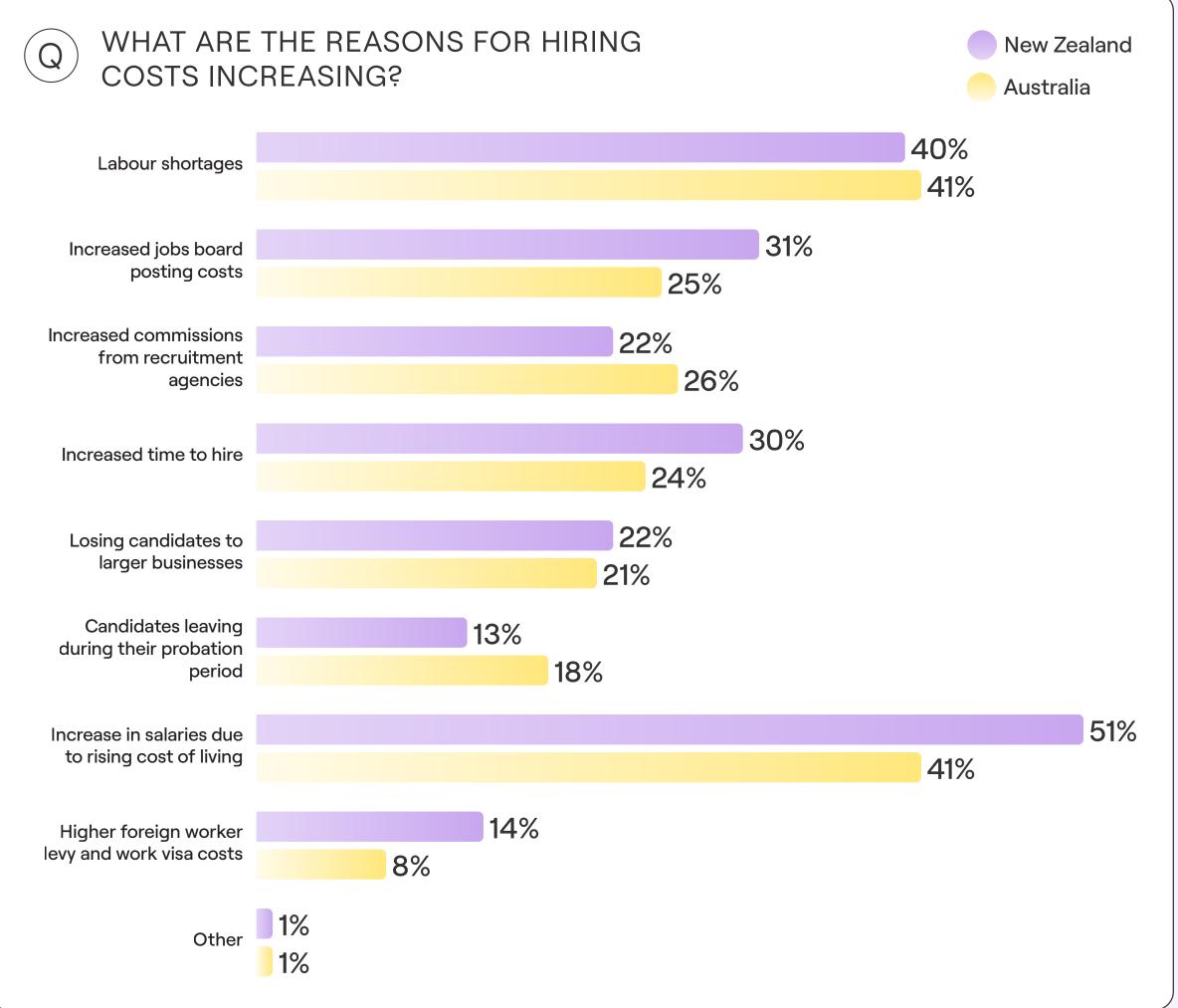
On average, Australian businesses have more new hires who leave within the first six months or do not pass probation, compared to New Zealand (19% vs 15%). 43% of Australian businesses have 5% and below of new hires leave within the first six months or do not pass probation, compared to 55% of hiring leaders in New Zealand. However, a larger proportion of Australian hiring leaders have 21–50% of their new hires leave within the first six months or do not pass probation, compared to hiring leaders in New Zealand — 25% vs 16%.



Hiring leaders in New Zealand felt the pinch of increased advertising costs more acutely than Australian hiring leaders, with **12**% saying costs have doubled or more, compared to **7**% in Australia.

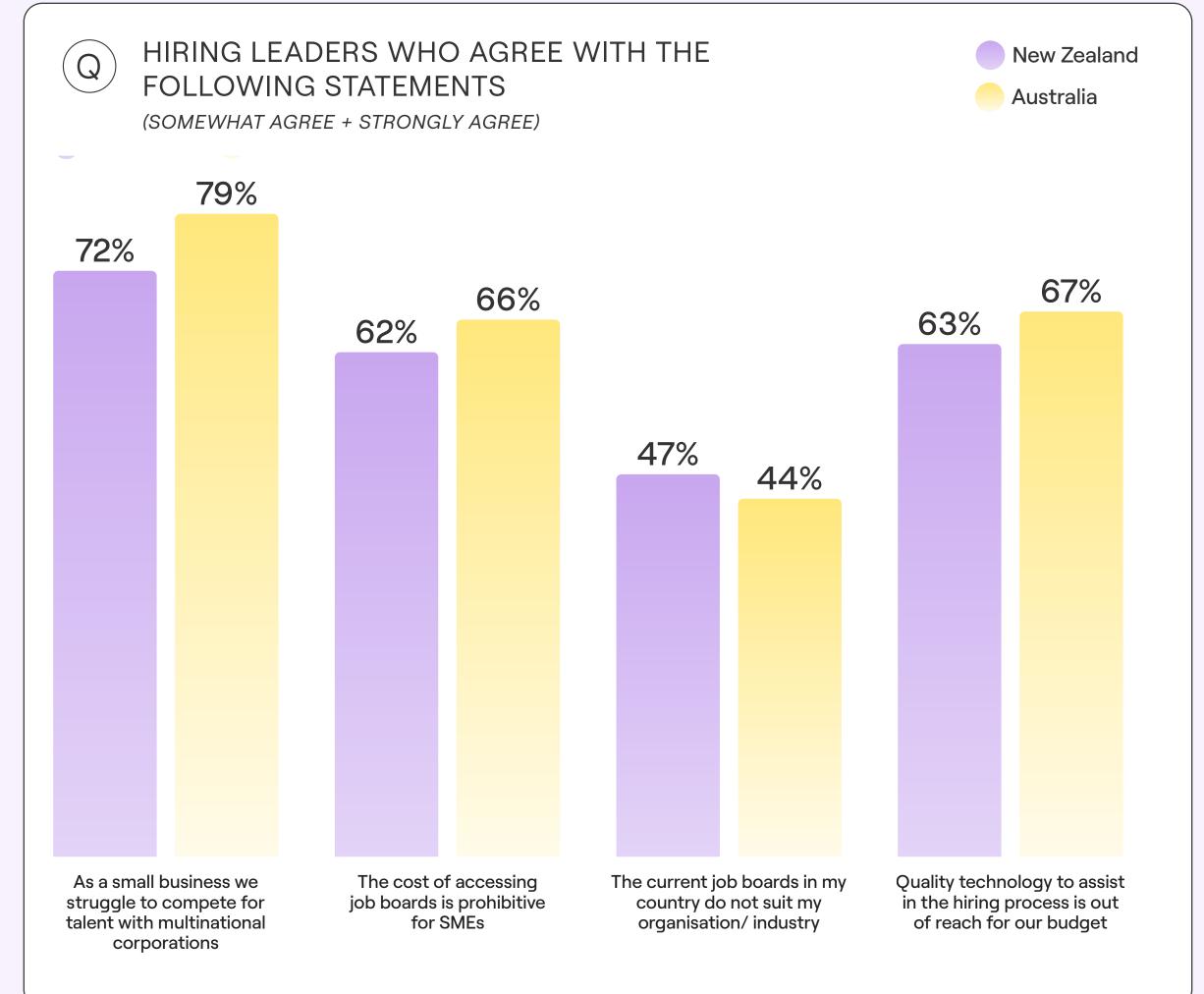
The two main reasons for the increase in hiring costs in both Australia and New Zealand are the same — increased salaries due to rising cost of living and labour shortages. Interestingly, New Zealand hiring leaders were also more affected by increased jobs board posting costs (31% vs 25%), higher foreign worker levy and work visa costs (14% vs 8%), and increased time to hire (30% vs 24%) than Australian hiring leaders.

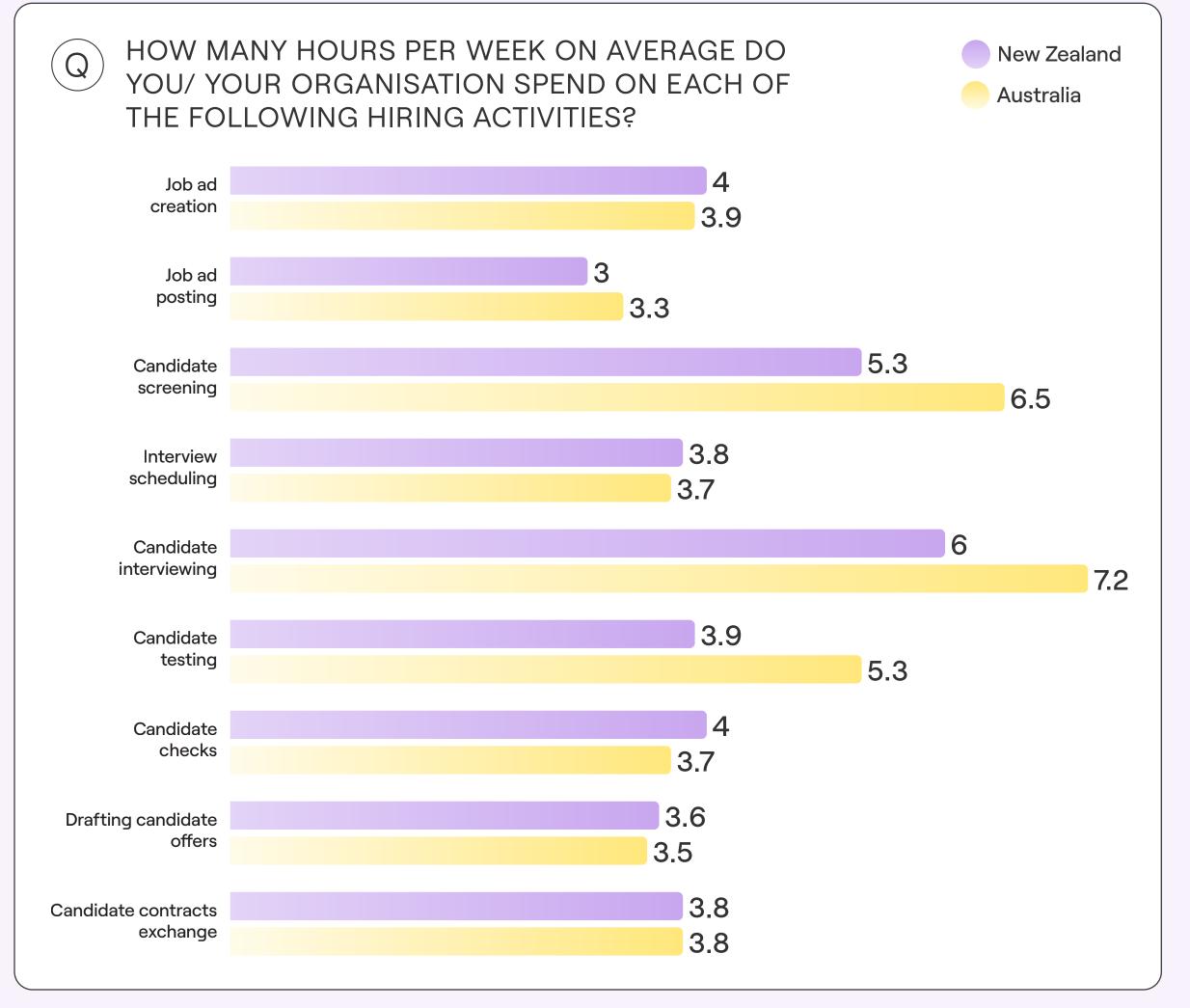




Sentiments amongst hiring leaders in Australia and New Zealand were pretty similar. The only exception was that more hiring leaders in Australia agree that small businesses struggle to compete for talent with MNCs, compared to New Zealand (79% vs 72%).

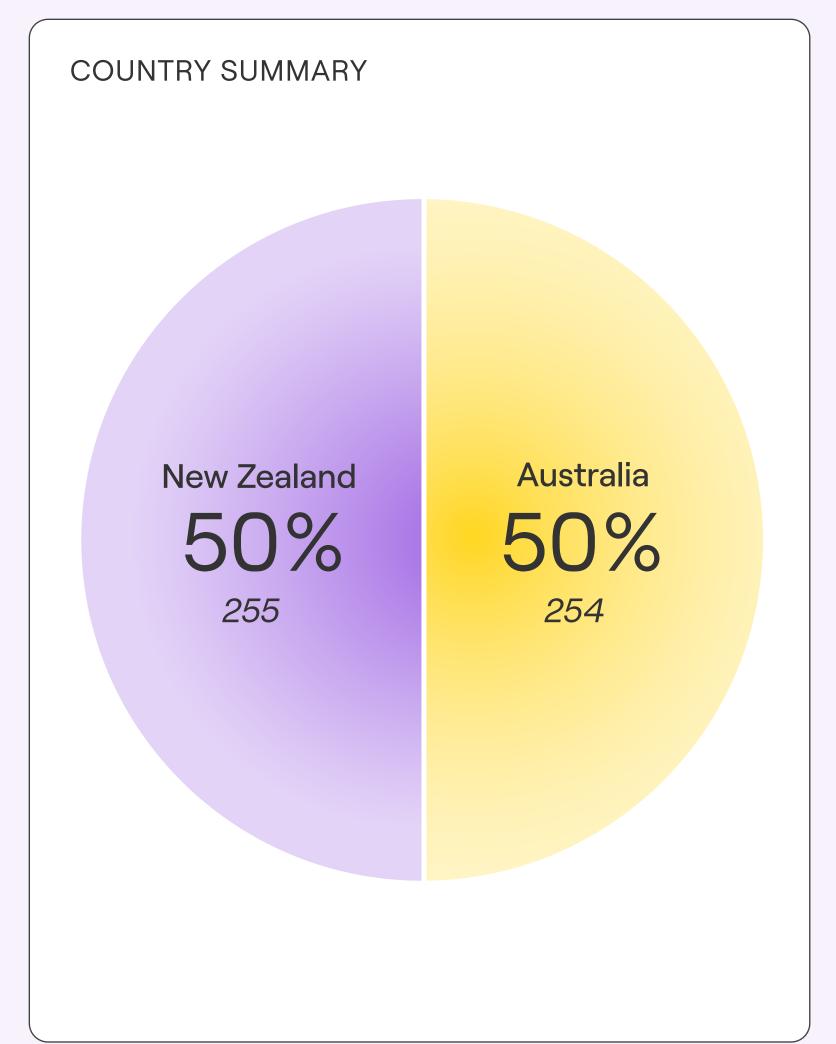
With regards to time spent on hiring activities, hiring leaders in Australia spent slightly more hours per week, compared to hiring leaders in New Zealand (41 hours per week vs 38 hours per week). The biggest difference in time spent between hiring leaders in Australia and New Zealand was on candidate screening (6.5 hours per week vs 5.3 hours per week), candidate testing (5.3 hours per week vs 3.9 hours per week), and candidate interviewing (7.2 hours per week vs 6 hours per week).





METHODOLOGY AND SAMPLE PROFILE

We carried out quantitative research with **509 business leaders** in Australia and New Zealand. The length of the survey was 3 minutes on average. Respondents were from different organisation sizes and industries. The survey was conducted with the Glow survey platform, using the Dynata B2B panel from 27th to 30th June 2023.







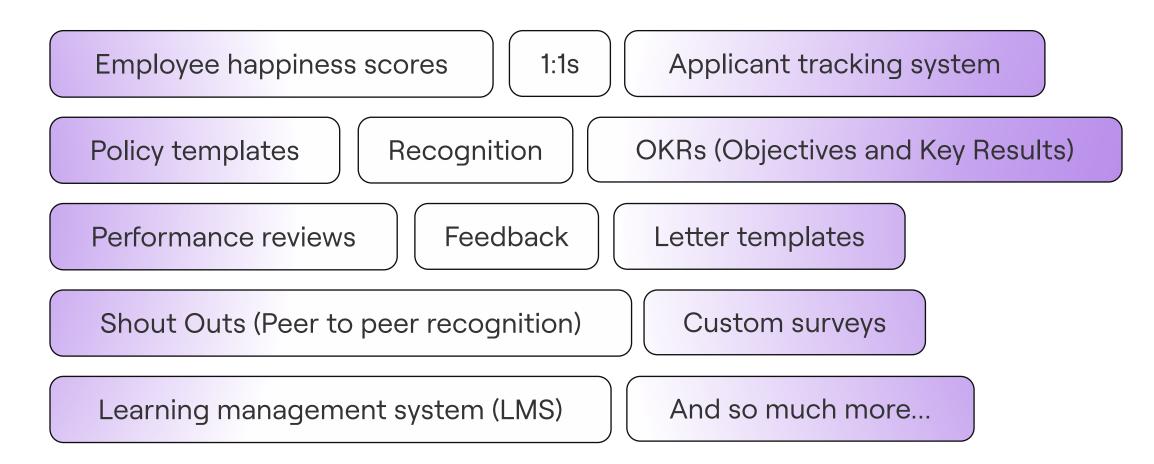
About Employment Hero

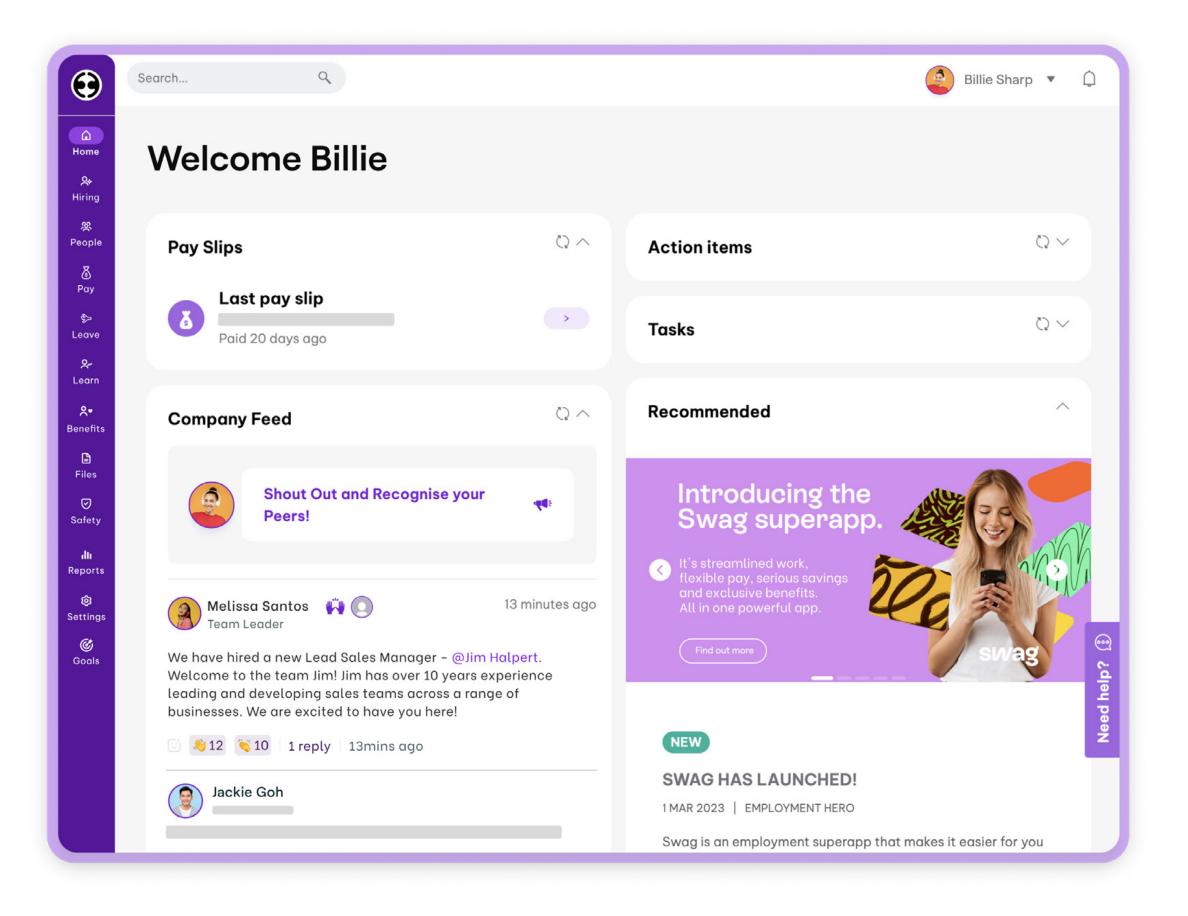
Employment Hero is the smarter way to manage people, payroll and productivity for SMEs with big ambitions.

Employment Hero empowers SMEs by providing automated solutions to help launch them on the path to success by powering more productivity every day.

Employment Hero services over 300,000 businesses, collectively managing over 2 million employees. Employment Hero is launching employers toward their goals, powering more productive teams and taking employment to rewarding new heights.

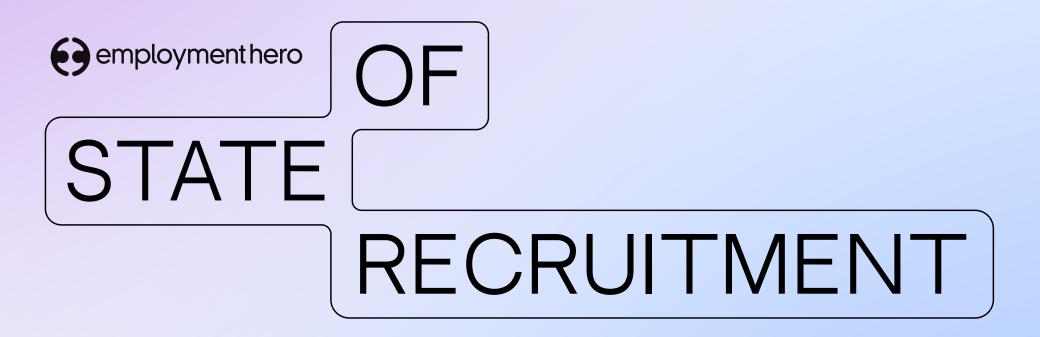
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