



# **Recruitment Experiences and Outlook Survey**

**Concepts, methods, and questionnaire**

April 2022

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## Overview

The National Skills Commission (NSC) conducts the Recruitment Experiences and Outlook Survey (REOS) to monitor recruitment activity and conditions across Australia. The REOS surveys employers across Australia, and up to 14,000 businesses respond to the survey throughout the year. Data are published on the Labour Market Insights webpage (<https://labourmarketinsights.gov.au/our-research/recruitment-experiences-and-outlook-survey/>) including a monthly report summarising key trends (the 'Recruitment Insights Report') together with a corresponding data file.

The survey collects information on employer recruitment activity, recruitment difficulty and staffing outlook – all important indicators to help policy makers and analysts to monitor and understand current and emerging labour market conditions. Data are released as close to collection as possible, providing an almost real-time view of recruitment activity across Australia.

## Survey Methodology

### Scope

The scope of REOS includes all Australian employers with five or more staff. Some practical considerations, including the need to minimise respondent burden, narrow the scope slightly.

The following types of businesses are excluded:

- Emergency Services (e.g. ambulance stations, fire stations/brigades)
- Recruitment or labour hire agencies
- Churches or mosques
- Government Schools
- Government Departments
- Local Councils (e.g. local government agencies, council libraries).

### Sample selection

The survey sample is created from the REACHDM list of businesses. This private sector company maintains a detailed register of Australian businesses and associated contact details for business managers and recruitment personnel.

A stratified random sample is selected from the REACHDM list of businesses biannually. Businesses in REOS are stratified by Greater Capital City and Rest of State regions, by industry, and by business size.

To reduce the burden on survey participants, the surveying of individual respondents is limited to once per year as much as possible.

## Data Collection

The REOS uses computer-assisted telephone interview (CATI) technology with a core set of questions asked each month, including:

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

From time to time, questions are added to the survey for a short period to collect information on issues of policy interest.

The REOS CATI system presents interviewers with a sequence of questions that vary depending on the employer's responses. This automated question selection process significantly reduces the time taken to complete the questionnaire, to between 3 and 7 minutes, depending on businesses' recent recruitment activity.

The REOS survey typically achieves a response rate of over 40 per cent.

## Data quality and security

Every effort is made to ensure the data from REOS is of a high quality. Great care is taken in the design and testing of the questionnaire, the training of interviewers, and in the quality control procedures at all stages of data processing.

Calls are recorded for quality assurance purposes and to facilitate qualitative analysis. Monitoring occurs regularly to ensure that the sample conforms to the survey design with weekly tracking of the number of survey participants against industry and region targets to ensure sufficient responses are received for each stratum.

Rigorous data validation processes are undertaken, which include checking response logic and format, reviewing final interviewer comments and recoding 'unknown' responses appropriately.

Individual responses to the REOS remain confidential to relevant personnel within the National Skills Commission and are stored on secure databases. The privacy of individuals' data is protected by the Privacy Act 1988 (Commonwealth).

## Weighting and adjustment

REOS data are adjusted to enable meaningful comparisons and to correct for known biases. Data are weighted by employer size, industry and region. Weighted data are produced for Australia, states/territories, capital cities/rest of state (except for the NT and ACT).

Raw REOS data may be impacted by these factors:

- Bias and coverage issues in the sample frame: some industries are over-represented in the sample frame (e.g. retail and hospitality) while others are less well represented (e.g. Agriculture, Forestry and Fishing and the Administrative and Support Services industries)
- Response rate variations: some businesses are easier to contact and elicit responses from the appropriate person at that business, than others. This can be dependent on business size, business type (industry) and location.
- Adjustments for region size: the sample size for smaller regions has been deliberately increased (relative to large metropolitan areas) to allow meaningful analysis and to ensure confidentiality of responses in smaller areas. When producing findings at the national, state/territory, and capital city/rest of state levels, the disproportionate contribution of regional responses is adjusted.

Results from the REOS are displayed as percentages, and *not* suitable to publish numbers, such as a count of the total number of vacancies. Weighted counts of employers or vacancies should not be used for this purpose.

Data are not seasonally adjusted for this collection, although they are likely to be subject to seasonal factors.

## Data coding and reporting

Data collected in the survey are coded and reported according to the following ABS classifications:

- Industry is defined by the [Australian and New Zealand Standard Industrial Classification \(ANZSIC\)](#), 2006, Version 2.0
- Occupation is defined by the [Australian and New Zealand Standard Classification of Occupations \(ANZSCO\)](#), 2013, Version 1.4
- Capital city and rest of state areas are defined by the [Australian Statistical Geography Standard \(ASGS\): Volume 1 - Main Structure and Greater Capital City Statistical Areas](#), July 2016

- Remoteness areas are defined by the [Australian Statistical Geography Standard \(ASGS\): Volume 5 – Remoteness Structure](#), July 2016.

## Concepts and indicators

The Recruitment Experiences and Outlook Survey gathers information to develop the following main indicators:

### Change in staff numbers over the last month

This indicator is a measure of overall staff change in the labour market and can be used to determine business confidence and possible expansion. It is calculated as the percentage of employers who increased (or decreased) staff over the past month divided by all employers (excluding 'unsure' responses). While it provides a good indication of overall changes in staffing levels, it should be noted that many employers have temporary increases or decreases in staff due to seasonal effects, such as Christmas, or the time between losing a staff member and hiring their replacement.

### Percentage of employers that attempted to recruit

This indicator is a measure of recruitment activity and is the proportion of employers either currently recruiting or who had recruited in the previous month, also known as the recruitment rate. It is calculated by dividing the number of employers who recruited or were attempting to recruit by the number of employers that responded to the survey (excluding 'unsure' responses). While it broadly reflects the level of recruitment activity and is a relatively stable indicator, it does not account for the number of vacancies. Furthermore, some regions and industries have consistently high recruitment rates, often due to high rates of staff turnover.

### Recruitment difficulty

The 'recruitment difficulty rate' is the proportion of recruiting employers who experienced difficulty hiring. As businesses may have conducted several or concurrent recruitment rounds, this indicator focusses on the most recent recruitment round in the previous month. The indicator is calculated as: employers who recruited and reported difficulty, divided by all employers who recruited (excluding 'unsure' responses).

There are many reasons for recruitment difficulty, including

- Location: in remote areas, recruitment difficulty is often higher

- Type of occupation: some jobs are consistently more difficult to recruit for and employer expectations, such as for applicants to have relevant industry experience or particularly skills and qualifications, can limit the potential field of applicants
- COVID-19 restrictions and border closures: impacting the mobility of workers.

### **Applicants per vacancy**

Employers are asked how many applications they received in their most recent recruitment round. The measure "applicants per vacancy" is the sum of all applicants reported by employers divided by the sum of all vacancies, usually reported for employers who advertised on the internet or in a newspaper.

Applicants per vacancy can provide an indication of the competitiveness of the labour market. This indicator can be volatile, as it can be affected by outliers in the number of applicants or by large recruitment rounds. For this reason, applicants per vacancy results are usually only published annually.

### **Recruitment methods**

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

### **Expectations for increases or decreases in staffing levels over the next 3 months**

Employers' expectations regarding staffing levels over the next 3 months is a measure of employer confidence and sentiment regarding the labour market or economy more broadly. It is calculated as the percentage of employers who expect to increase (or decrease) staff over the next 3 months divided by all employers. While it provides a good indication of confidence, it should be noted that employers can be optimistic when reporting their intention to increase staff (or to not decrease staff).

### **Single greatest concern**

Employers are asked: "Thinking about all aspects of your business, what (if anything) is your single greatest concern in the next 3 months?". Response to this question provide insights into employer sentiment and can capture emerging issues, including those that are not directly related to recruitment. For example, common concerns in recent times have included

supply chain issues and business viability/cash flow. Employers' responses are coded to a response framework, which is then expressed as a percentage of the total responses. Due to the subjective nature of the question, results should be interpreted with caution.

## The REOS Questionnaire

Prior to 2020, the Survey of Employers' Recruitment Experiences (SERE) and its predecessors had been running for over a decade. Initially, the survey was undertaken in selected regions in response to the need for detailed information at a regional level. The survey was later expanded to cover all Employment Regions (note that Employment Regions were designed to support the delivery of government employment services, namely Job Services Australia followed by jobactive). The purpose was to collect timely information on conditions at a regional level to supplement other sources.

In 2019, the methodology of the survey was reviewed as the regional approach did not provide nationally representative information in a timely manner. In January 2020, a new approach was implemented that allowed representative data at the national and state/territory levels to be reported at quarterly intervals.

## The impact of COVID-19 in March 2020

In March 2020, as the COVID-19 pandemic impacted the labour market, it became apparent that it was not possible or appropriate to conduct recruitment surveys, as many industries were not recruiting (or operating), and many employers were facing uncertainty about the future. The survey was suspended, with a new survey introduced, focussing on the impacts of COVID-19 on businesses and their staffing profile. The COVID-19 questionnaire was adapted over the subsequent 6 months as the pandemic progressed and the content modified to reflect emerging challenges.

In August 2020, emphasis shifted from COVID-19 to a focus on recruitment activity and the difficulties that employers were experiencing, through the Recruitment Experiences and Outlook Survey (REOS). Many of the core questions from the former SERE were re-introduced while key questions continued to capture the impacts of the pandemic. Since August 2020, the core questions within the REOS have remained largely unchanged, allowing for more consistent reporting.



## Recruitment Experiences and Outlook Survey Questionnaire: April 2022<sup>1</sup>

The questionnaire below does not include interviewer prompts. The survey uses complex sequencing to ensure employers are only asked questions that are tailored to their circumstances. The sequencing has not been included in the questionnaire below.

For further information about the NSC's Recruitment Experiences and Outlook Survey, contact [recruitmentsurveys@skillscommission.gov.au](mailto:recruitmentsurveys@skillscommission.gov.au).

<b>Business Demographics</b>
<b>How many people are actively employed working at this business?</b> 1. Two or more - specify 2. Sole trader 3. Unsure 4. Business is in the process of closing down 5. Business is still closed (with no staff) but in the process of re-opening
<b>How does this number compare with one month ago?</b> 1. Number of staff-one month ago 2. Business is in the process of closing down 3. Business closed a month ago (with no staff) but has since re-opened
<b>Based on current operations, do you have enough staff to meet your business demands?</b> 1. Yes 2. No 3. Unsure
<b>Recruitment questions</b>
<b>Have you hired or replaced any staff in the past month or are you currently recruiting to hire new staff?</b> 1. Yes – hired new staff in the past month 2. Yes- currently recruiting to hire new staff 3. Both past month and currently recruiting 4. No 5. Unsure
<b>Have you hired or replaced any staff in the past 3 months?</b> 1. Yes- hired new staff in the past 3 months 2. No 3. Unsure
<b>What occupation have you most recently hired new staff for?</b> 1. Occupation details - specify 2. Unsure 3. Apprentice 4. Trainee 5. Graduate

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<sup>1</sup> \* This version of the survey form was used in April 2022. Some minor adjustments may occur from time to time to respond to changing labour market conditions. Additional modules are sometimes included in the survey to address specific areas of research. These modules vary depending on the research topic and are therefore not included here.

**How many vacancies were you trying to fill for this occupation/[say name of occupation]?**

**(For this occupation,) how many of these vacancies did you fill?**

1. All
2. Some
3. None
4. Unsure

**How long ago did you first start trying to fill this vacancy?**

1. One week or less
2. More than 1 week, up to 2 weeks
3. More than 2 weeks, up to 1 month
4. More than 1 month, up to 6 weeks
5. More than 6 weeks, up to 3 months
6. More than 3 months, up to 6 months
7. More than 6 months
8. Was not trying to fill a vacancy/ made a position for applicant
9. Unsure

**From when you first started looking, how long did it take to fill this vacancy?**

1. 1 week or less
2. More than 1 week, up to 2 weeks
3. More than 2 weeks, up to 1 month
4. More than 1 month, up to 6 weeks
5. More than 6 weeks, up to 3 months
6. More than 3 months, up to 6 months
7. More than 6 months
8. Unsure

**Was this a new position or a replacement for staff who recently left?**

1. New position
2. Replacement
3. Both
4. Unsure

**Was this a casual position where staff aren't entitled to paid holiday or sick leave?**

1. Casual (do not receive paid holiday or sick leave entitlements)
2. Not casual
3. Both casual and not casual
4. Unsure

**Was this position full-time or part-time hours?**

1. Full-time hours
2. Part-time hours
3. Both full-time and part-time hours
4. Unsure

**How did you try to fill this vacancy for this occupation?**

1. Internet
2. Social Media
3. Word of mouth
4. Directly approached by jobseeker
5. Newspaper
6. Advertised / promoted within business
7. Jobactive
8. Recruitment Agency
9. Labour Hire
10. Sign in window/billboard
11. Employer approached applicant/poached
12. Other methods
13. Unsure (Head office)
14. Unsure

*Details box*

**What websites or social media did you use to advertise these vacancies?**

1. SEEK
2. JORA
3. Facebook
4. Company Website
5. Gumtree
6. Department of Education
7. Indeed
8. LinkedIn
9. Australian JobSearch
10. CareerOne
11. Other Internet (incl Newspaper sites)
12. Other Social Media
13. Unsure

**What was the name of the agency you used?**

**Were you satisfied or dissatisfied with the assistance provided by this agency?**

1. Satisfied
2. Dissatisfied
3. Unsure

**Overall, how many applicants did you get for this vacancy?**

1. Number of applicants
2. None
3. Unsure
4. Unsure, recruitment done by Recruitment Agency or Central Office

**Did this [these] position[s] require previous work experience in the field?**

1. Yes
2. No
3. Unsure

**Overall, would you say that it was difficult to fill this vacancy?**

1. Yes
2. No
3. Unsure

**How would you rate your difficulty: a great deal, somewhat or a little?**

1. A great deal
2. Somewhat
3. A little
4. Unsure

**What were the reasons you found it difficult to recruit for this occupation?**

1. Applicants lack technical skills
2. Lack of suitable applicants
3. Lack of applicants
4. People don't want to work/only applying for Centrelink
5. Lack of overseas/migrant workers
6. Location eg remote or regional
7. Undesirable working conditions/hours
8. Applicants lack experience
9. Applicants lack employability skills (communication skills, personal presentation)
10. COVID-19 (impacting recruitment)
11. Other reason
12. Unsure

**Overall, how did this compare with previous times you recruited for this occupation in 2021?  
(More or less difficult or about the same?)**

1. More difficult
2. Less difficult
3. About the same
4. Unsure
5. Have not previously recruited for this occupation

*Details box*

**Future staffing/ Single greatest concern**

**What do you think your staffing numbers will look like over the next three months?**

1. Increase
2. Remain the same
3. Decrease
4. Decrease - close down
5. Unsure

*Details box*

**Thinking about all aspects of your business, what (if anything) is your SINGLE greatest concern in the next 3 months?**

1. No Concerns
2. Lack of demand for products or services/ economy
3. Recruitment or retention difficulty / Skill shortages
4. Staff getting COVID-19/ Staff needing to isolate due to COVID
5. Other health related concerns (mental health, burnout with working more hours etc)
6. Lack of vaccines/ people won't get vaccinated
7. Supply chain issues
8. Cash Flow
9. Keeping up with demand for products or services
10. Weather
11. Lockdowns (current or future)
12. COVID restrictions (isolation, quarantine, travel restrictions, border closures, etc)
13. Other concern (please specify)
14. Unsure