

Press release
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Longer hiring timelines costing businesses up to +19% per vacant role

- 50% of Australian business leaders now have longer hiring timelines due to the shortage of candidates while 32% are facing longer hiring timelines due to an excess of candidate applications
- Unfilled roles can cost an employer an additional 14% - 19% of the vacant position’s salary, depending on seniority

Sydney, 7 September 2021 – New independent research by specialised recruiter, [Robert Half](#), reveals that it’s now taking employers longer to hire professionals into their organisation, driving a surge in vacant roles. In this market, a business who can act quickly and streamline their hiring process will not only alleviate the financial and productivity burden of a vacant role but maintain a competitive edge against their peers.

Hiring timelines taking longer

Recruitment activity is up by 38% compared to pre-pandemic levels according to [figures released](#) by the Australian Government. While demand for skilled talent remains fierce in spite of market disruption due to COVID-19, the supply of strong candidates to fill vacant roles is low in many industries. Australian Government data reveals an [184% increase in job vacancies](#) between May 2020-May 2021.

Driven by accelerated demand for niche skillsets, a lack of foreign talent, and a lack of internal movement amongst Australian professionals, one in two (50%) Australian business leaders now have longer hiring timelines due to the shortage of candidates. This trend is particularly pronounced in New South Wales (68%) and Queensland (56%). Conversely, businesses in Western Australia and Victoria are as affected by a shortage of candidates as an excess of candidate applications.

In general, how has the pandemic impacted your company's hiring timeline?

	Total	NSW	QLD	WA	VIC
We tend to take longer now due to a shortage of candidates in the market	50%	68%	56%	36%	40%
We tend to take longer now due to the increased number of applications for open roles	32%	20%	32%	36%	40%
We hire qualified candidates as quickly as we would have prior to the pandemic	15%	12%	8%	20%	20%
We tend to take less time to hire qualified candidates than before the pandemic	3%	0%	4%	8%	0%

Source: Independent survey commissioned by Robert Half among 100 general managers.

Costs of an unfilled role

With over 4-in-5 (82%) Australian businesses now faced with longer hiring timelines – whether due to a surplus or deficit of talent - roles which remain unfilled for extended periods are placing a considerable financial burden on Australian businesses.

The costs of a vacant role typically include lost productivity, additional workload and stress for teams, and the ongoing devotion of resources to the recruitment process – all of which have a flow-on negative impact on company revenue.

The research by Robert Half shows that when it comes to counting the costs of lost revenue, productivity and covering additional workload, unfilled staff-level roles which focus on executional or routine tasks have the highest impact as a proportion of salary (19%).

The cost of an unfilled management-level job would cost a company on average 15% of that employee’s salary and 14% for a director-level role. While the costs of an unfilled vacancy decrease as a proportion of salary for more senior positions, the higher remuneration paid at management or Director level means the overall costs to a company are higher.

To the best of your abilities, how much does an unfilled role cost your team based on lost revenue, lost productivity, and covering additional workload (as a percentage of the vacant role's salary)?

Staff-level role	19%
Management level roles	15%
Director-level roles	14%

Source: Independent survey commissioned by Robert Half among 100 general managers.

“Experiencing extended hiring timelines will only increase the costs to teams and their company. In the current hiring landscape, employers facing a shortage of candidates should continually assess and forecast their skills demands while refining their talent pipeline in order to act quickly on their hiring needs before the position becomes urgent. For those overwhelmed by an excess of candidate applications, clear hiring criteria that outlines the need-to-have and nice-to-have skills is essential to distinguishing volume from value,” says **Nicole Gorton, Director Robert Half Australia** in announcing Robert Half’s latest survey results.

“When the need to hire arises, to overcome the lengthy hiring timelines that so many companies are experiencing, organisations should make every effort to streamline the hiring process and act fast once they have found a suitable candidate to avoid losing top candidates to the competition. Concurrently, businesses should develop clear succession plans to fill emerging talent gaps internally without embarking on potentially challenging hiring processes.”

“The opportunities for candidates to accelerate their career growth are also huge in a high-demand, low-competition environment, which means jobseekers should leverage resources such as the [Robert Half Salary Guide](#) to understand what skills they have that are currently sought after. While highlighting their most in-demand skills will be critical to effective negotiations with potential employers, candidates are also well positioned to establish the next steps and expected timeframes, not only to keep hiring processes on track but also to help manage their own expectations and job search effort,” concludes **Nicole Gorton**.

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Notes to editors

About the research

The annual study is developed by Robert Half and was conducted online in May 2021 by an independent research company, surveying 300 hiring managers, including 100 CFOs and 100 CIOs, from companies across Australia. This survey is part of the international workplace survey, a questionnaire about job trends, talent management, and trends in the workplace.

About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and

permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert Half Australia has offices in Brisbane, Melbourne, Mount Waverley, Perth and Sydney. More information on roberthalf.com.au.

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