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# THE <sup>3</sup> Guide

*Planning for effective recruitment.*



Many factors, both internal and external, impact the way that you recruit.

Here is our Guide to some of the key external influences you may want to consider to ensure your 2010 recruitment plan is as effective as possible.





*Whether you're running a business, a team or a project, thorough planning is essential to ensure success.*

*Recruitment is no different – from identifying the task's skill requirements to assessing the individual's personality fit – it requires understanding and awareness of your organisation, your objectives and the world outside your business.*

Recruitment falls into two categories - impulse and planned. Impulse recruiting is reactive in nature. Posting on a job board, for example, generates a large number of candidates in a short time and is often a quick-fix solution when you realise that a job needs to be filled instantly. While this can work, it is certainly not the most effective or efficient way of hiring. Time and resources are required to sift through the applicants and the chances of missing the 'golden nuggets' are high. Planned recruitment is therefore essential to avoid these potential pitfalls.

*“In an uncertain economy planned recruitment takes on even more importance.”*

Planned recruiting is proactive and is about implementing strategies that evolve and improve in effectiveness over time. When tasked with implementing planned successions or managing your pipeline of candidates, you combine your expertise and knowledge with that of your chosen recruitment channel to ensure that the right people are available in the right place at the right time for your business.

In an uncertain economy, this takes on an even bigger role. Knowing you have a plan in place is crucial and it means you're better placed to face the challenges ahead.

#### *Looking outside the business*

It's always worth looking outside your business to consider how external factors may influence your planning. We wanted to provide you with a simple tool to use when planning for effective recruitment in 2010 that deals with outside influences.

You can use this PESTEL (Political, Economic, Social, Technological, Environmental and Legal) analysis format in brainstorming or planning meetings... and we've even started to look into key considerations for you!



## 1 POLITICAL

2010 will be a big year in politics with the forthcoming General Election. What impact would a change in government have on your recruitment policy? For instance all of the main political parties have different policies on how best to deal with our aging population through changes to the national retirement age. The Conservative party, for example, has set out plans to raise the age of retirement to 66 by 2016.<sup>1</sup>

What might the practical effects of this be? Politics could also have an impact via closer links to the European Union - could this bring in new legislation that you need to be aware of?

Other areas to look at could include:

- regulatory bodies and processes
- government policies
- trading policies
- funding, grants and initiatives
- home market lobbying/pressure groups
- international pressure groups
- wars and conflicts



## 2 ECONOMIC

After the doom and gloom of 2009's downturn, will 2010 see us move away from recession? If so, what impact will this have on your recruitment policy? The Office for National Statistics (ONS) tells us that the increase in unemployment has remained at a consistent rate of 7.9% since July and that the number of job vacancies on offer has not fallen for the first time since April 2009.<sup>2</sup>

However, despite this optimism, unemployment is still not expected to peak until mid-2010, and any growth is likely to be sluggish.<sup>3</sup> This could mean you continue to face increasing numbers of candidates for each vacancy. How will you plan for this? Why not refer to the first in our Guide series 'So many candidates, so little time...' for advice?

Other areas to consider could include:

- overseas economies and trends
- general taxation issues
- taxation specific to product/services
- market and trade cycles
- specific industry factors
- market routes and distribution trends
- interest and exchange rates
- international trade/monetary issues

*"... the number of job vacancies on offer has not fallen for the first time since April 2009."*

1- [www.personneltoday.com](http://www.personneltoday.com) 2- [www.cbi.org.uk](http://www.cbi.org.uk) 3- [www.guardian.co.uk](http://www.guardian.co.uk)



### 3 SOCIAL

Social trends tend to be evolutionary and, as a result, are often forgotten. However there are many factors that could impact on your recruitment policy. For example, there are now more qualified graduates than ever before with over 335,000 graduating in 2008 - a rise of 5% on the year before.<sup>4</sup> How might increasing numbers of graduates affect your recruitment policy?

There are an increasing number of incentives for employing those in the socially excluded sectors of the community through training grants and tax benefits.<sup>5</sup> Would your workforce benefit from providing opportunity to a less obvious part of the community?

You might also want to consider more subtle shifts in people's perspectives on work, such as the growing level of importance candidates place on an employer's values and company ethos rather than just salary and working hours when choosing a new role.

Other areas to consider could include:

- lifestyle trends
- demographics
- consumer attitudes and opinions
- media views
- major events and influences
- buying access and trends
- ethnic/religious factors
- advertising and publicity

*“There are now more qualified graduates than ever before with over 335,000 graduating in 2008 – a rise of 5% on the year before.”*

4- Higher Education Statistics Agency (HESA)  
5- [www.dwp.gov.uk](http://www.dwp.gov.uk)



## 4 TECHNOLOGICAL

Technology has had a huge impact on recruitment policy in recent years - especially through the internet and online job boards. According to the ONS (Office for National Statistics), 18.3 million households in the UK have internet access in 2009, an increase of 11% on 2008 and a figure which looks set to continue to grow.<sup>6</sup>

Using online advertising to fill a vacancy generates a high response and is effective when you have many positions to fill. However, the number of responses in itself can lead to challenges with some estimates putting effective online recruitment as low as 10%. Perhaps one area you could plan for next year might be how to manage your online recruitment more effectively or look to harness new technology that might make this more efficient.

Other areas to consider could include:

- replacement technology/solutions i.e. recruitment via mobile phone
- information and communications
- consumer buying mechanisms/technology
- technology access, licensing, patents
- global communications e.g. using technology to recruit from around the world

*“Perhaps one area you could plan for next year might be how to manage your online recruitment more effectively.”*



6- <http://www.statistics.gov.uk>



## 5 ENVIRONMENTAL

The Climate Change Act 2008 set out plans for UK to reduce carbon emissions by 80% by 2050 and businesses are expected to play an increased role in helping to achieve this target.<sup>7</sup> As a result, CSR (Corporate & Social Responsibility) is a big factor for many businesses when planning and this will also have an impact on recruitment. As businesses move forward, not only will CSR policy be informed by government advice and guidelines,<sup>8</sup> but also business' desire to create a competitive advantage by achieving external accreditations in this arena.

From a recruitment perspective, the implementation of company-wide CSR policies can include the increased use of online portals to reduce wastage or using telephone interview techniques to reduce travel and therefore, your carbon footprint - all of which might be considered when planning for 2010.

Other areas to consider could include:

- government guidelines on carbon footprint in business
- the low carbon industrial strategy [www.interactive.bis.gov.uk/lowcarbon/vision/](http://www.interactive.bis.gov.uk/lowcarbon/vision/)
- the local economy
- sustainable working policies

*“As businesses move forward, not only will CSR policy be informed by government advice and guidelines, but also business’ desire to create a competitive advantage by achieving external accreditations in this arena.”*



7- [www.defra.gov.uk](http://www.defra.gov.uk)

8- [www.berr.gov.uk](http://www.berr.gov.uk)

## 6 LEGAL

Changes in legislation can make a big difference to recruitment policy - not only who you recruit but how they are recruited. For example, even though the AWD (Agency Workers Directive) is unlikely to be implemented before 2011,<sup>9</sup> you will need to take its impact on your remuneration policies into account well in advance.

You might also want to consider changes in the National Minimum Wage legislation which will come into force in October 2010, including a reduction in the age that you can qualify for the adult minimum wage from 22 to 21.<sup>10</sup>

The new Equalities Bill will harmonise existing anti-discrimination law and strengthen it in some areas.<sup>11</sup> You will need to be confident that your recruitment mix is up to this improved benchmark.

Other areas to consider could include:

- immigration policy and policy on working visas when recruiting from abroad
- employment law
- anti-discrimination policy
- EU legislation

*“At Tate, we believe in working closely with our customers and are keen to share our expertise with you. We combine innovative thinking with tried and tested techniques, such as the PESTEL analysis tool, and hope that you find it as useful as we do when planning for the year ahead.”*

Jo Edwards, Managing Director, Tate

9- [www.rec.uk.com](http://www.rec.uk.com)  
10- [www.direct.gov.uk](http://www.direct.gov.uk)  
11- [www.equalities.gov.uk](http://www.equalities.gov.uk)

# PESTEL



## WATERTIGHT GUARANTEE

If you would like to discuss your recruitment strategy in more detail, please call your local Tate office on 0845 345 4141 to speak to one of our experienced recruitment professionals.