CIPD

Report
September 2024

Resourcing and talent planning report 2024

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

The CIPD's *Resourcing and talent planning report 2024*, produced with the support of Omni RMS, examines resourcing trends and challenges to offer insight and practical suggestions for employers considering their recruitment and retention strategies. Now in its 24th edition, the report helps employers and their people teams make informed decisions about recruitment, retention, and workforce planning.

The report is based on a survey of over 1,000 HR and people professionals.

Report

Resourcing and talent planning report 2024

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1 Foreword

We are pleased to support the CIPD for a fourth year to produce the *Resourcing and talent planning report 2024.* This report provides critical insights into resourcing and talent planning challenges and offers essential support for business leaders and people professionals to navigate today's powerful megatrends and resultant labour market shortages to build strategies that futureproof their organisations.

Persistent skills shortages and the increasing number of individuals leaving the workforce have created unprecedented pressures on the labour market. Longer term, as home-grown labour struggles to increase with no rises in net migration, labour supply will deteriorate significantly in the next ten years, meaning organisations must plan now. These findings and recommendations will support those that want to get ahead of these challenges.

Forward-thinking organisations have embraced flexible working and are developing talent strategies to build workforce resilience and to attract and retain talent. They recognise that offering above-market rates is unlikely to be enough in the long run. Rather, they see the direct link between investment in talent acquisition and bottom-line performance, while investing wisely in people, partnerships, and technology.

It's pleasing to see the continued positive focus towards equality, diversity, and inclusion (EDI) which is prompting organisations to search for talent in hard-to-reach places. This approach not only broadens the talent pool but also brings diverse perspectives and new ways of thinking into an organisation. As employees are increasingly seeking purposeful work and organisations whose values align with their own, employers must be forward-thinking to attract and retain talent, and recognise that candidates are now driving the market. This requires a proactive stance on EDI and a commitment to creating an inclusive workplace that resonates with employee values and creates a sense of security.

To thrive, organisations must plan strategically to retain and upskill their workforce. Those who do will succeed in setting new standards and will outperform their competitors. Those who choose not to, will most certainly be left behind.

This report serves as a roadmap for your journey to a robust and futureproof talent strategy.

Louise Shaw FCIPD
Managing Director, Omni RMS

2 Summary of key findings

Competition for talent persists

- Competition for well-qualified talent has increased over the last year, according to 69% of respondents. Overall, 84% had tried to fill some vacancies and 64% of these experienced difficulties attracting candidates. Recruiting for senior and skilled roles was most challenging, particularly in the public sector (52%), although 19% also had difficulties attracting low-skilled candidates.

- The recent changes to legal migration rules for family and work visas may further affect competition for talent in some industries. A tenth of organisations are planning to reduce their recruitment of migrants and 18% are improving their job offering to attract UK-born workers in response to the rule changes. Overall, 43% of organisations expect the migration rule changes to have some impact on resourcing in their organisation.

- Many organisations are experiencing increasing retention challenges (56%), and we have seen a rise in the proportion of organisations taking steps to counter this, from 29% in 2021 to 42% in 2024. Retaining new recruits is also an issue for many organisations: 41% of those that selected candidates in the last 12 months said new recruits always, mostly or sometimes resigned within the first 12 weeks, while 27% said that selected candidates always, mostly or sometimes failed to turn up on their first day.

Practitioner recommendations

✓ Take a strategic approach to workforce planning. Review your organisation's critical skills and key roles and look at the data on retaining these people.

✓ Proactively widen your talent pools. Vary and target your recruitment outreach approach and channels and ensure your employer brand is attractive and communicated well to a diverse group of candidates.

✓ Engage candidates throughout the recruitment process to ensure they are committed to the role and your organisation and have realistic expectations. Ensure onboarding and induction helps them perform at their best.

Greater focus on developing skills in-house

- Organisations are increasingly turning to internal training and development to meet their talent requirements, as 56% said they developed more talent in-house over the last 12 months compared with the previous year. Most organisations that attempted to recruit over the last year experienced difficulties (83%) and upskilling existing employees was their most common response.

- More organisations are using entry-level or career-returner programmes to access and grow the skills they need. Some 51% currently offer apprenticeships, 44% graduate programmes, 35% intern schemes, 34% post-A-level entry routes and 34% career-returner programmes.

- A higher proportion of organisations are also turning to learning and development (L&D) to retain employees. Of those that undertook specific initiatives to improve employee retention in the last 12 months, 42% increased L&D opportunities to address retention, up from 35% in 2022. Meanwhile, 31% created clearer career paths, up from 24% in 2022.

Practitioner recommendations

✓ Invest in ways for people to access opportunities in your organisation, such as through apprenticeships (with funding available), traineeships, industry placements and post-A-level routes. Keep up to date with new products and routes.

✓ Develop strategies to attract career-returners and mid-career-changers to help broaden your talent pool and diversify people's skills and experiences.

✓ Create strategic in-house talent development and L&D programmes to upskill existing employees in priority areas and encourage them to think about lateral moves as progression. Don't overlook internal talent for promotions.

Improving pay and benefits

- Organisations that have attempted to recruit in the last 12 months and experienced difficulties are increasingly offering better pay and benefits to address recruitment difficulties (41%, compared with 36% in 2022 and 29% in 2021), although this is more common in the private sector. Over a quarter of those that attempted to recruit (27%) reported challenges with counteroffers or dropouts after offer acceptance. A fifth (20%) of organisations report that candidates always or mostly renegotiated offer terms (up from 15% in 2022), even though 61% say candidates always or mostly had realistic salary expectations.

- Increasing pay was also one of the most common responses of those that have experienced retention difficulties in the last 12 months (44%), topped only by improving support for employee wellbeing (47%, rising to 79% for non-profits).

- Similarly, ensuring a competitive pay and benefits package (34%) and increasing flexible working opportunities (35%) were the most common actions taken to improve employer brand, although public sector organisations were more focused on promoting their values (41%) than pay (16%). There has also been an increase in the proportion of organisations attempting to enhance their brand through improving the work environment and career development options.

Practitioner recommendations

✓ Review the market and what is feasible when it comes to pay, but also take into consideration any changes that might be helpful to your overall benefits package. This doesn't necessarily need to be expensive, for example introducing a scheme to buy and sell leave.

✓ Advertise salaries in job adverts and provide information on the pension scheme and other core benefits. Don't ask about previous salaries during the recruitment process. Following this approach will help support fairness and widen the applicant pool.

✓ Now is a good time to critically assess your employee value proposition. Employees value different benefits at different life stages, so be flexible in your offering and allow for personalisation – let people choose what is most important to them.

Benefits of flexible working offerings increasingly recognised

- Increasing flexible and hybrid working opportunities are among the most common steps organisations have taken over the last year to improve their employee brand. Nearly three-quarters (74%) advertise at least some jobs as open to flexible working, and 54% as 'open to location' (up from 47% in 2022). For people in front-line/non-office roles, 57% offer some form of flexible working. Offering greater flexibility is one of the most common responses to recruitment difficulties (52%).

- Hybrid/remote working is increasing, particularly in the private sector. Most organisations now offer some home/hybrid options, with 29% reporting they have increased their offering in the last 12 months and 26% anticipating further increases in the next 12 months. Seven in 10 (71%) of those that offer home or hybrid work report this has allowed them to attract and retain more talent.

- Organisations are increasingly positive regarding the impact of hybrid/remote working on engagement and retention, with 42% of those that offer this saying it has increased engagement (from 35% in 2022) and 45% saying it has increased retention (from 32% in 2022).

Practitioner recommendations

✓ Stipulate in job adverts that jobs can be done flexibly. This will help you attract a wider pool of candidates looking for flexible roles and address skills shortages.

✓ Raise awareness of different forms of flexible working, such as compressed hours and job-sharing, and explore how they can be effective in roles that have traditionally been seen as non-flexible. This is particularly important for employees who can't work remotely and need to attend their physical place of work.

✓ Along with the benefits of flexible and hybrid working come the challenges of onboarding, induction, development and wellbeing. Ensure you have policies and practices in place that effectively induct new hires and develop managers to manage a flexible workforce.

Small improvements in recruiting diverse candidates

- This year's findings show improvements in efforts to attract and recruit diverse candidates, including at board level. Forty per cent are very or extremely active in their efforts to recruit diverse board candidates, up from 32% in 2022.

- Over half (51%) of those that attempted to fill vacancies say they recruited a more diverse workforce compared with the previous year. Nevertheless, there was an increase in the proportion reporting challenges hiring diverse talent, from 16% in 2022 to 29% this year.

- Fifty per cent have provided inclusive leadership training or coaching for managers or leaders over the last 12 months. More are training line managers involved in hiring decisions, and 73% (up from 67% in 2022) report that line managers follow objective assessment and scoring criteria when recruiting. But just 28% train all interviewers on legal obligations and objectives.

Practitioner recommendations

✓ Get support to critically and objectively review your end-to-end candidate experience with a diversity lens, ensuring that the entire process is accessible to all and represents your diversity objectives.

✓ Build a strategic and proactive approach to attracting and developing a diverse candidate pool across the organisation at all levels, including senior positions. Engage senior sponsors to help communicate and commit to this strategy and utilise employee networks to get voices heard in the organisation and consistently build inclusion and diversity.

✓ Ensure selection methods used are free from barriers and train hiring managers on effective inclusive selection. Ensure the criteria you use to hire people is truly predictive of performance in role, and create assessment processes that objectively assess these in candidates.

Technology speeding up recruitment and improving experience

- Some 78% of organisations have increased their use of technology in the recruitment and onboarding process over the last 12 months. Nearly a third (31%) use some form of AI/machine learning – up from 16% in 2022. Nevertheless, the adoption of many available technologies remains limited.

- Using technology in recruitment is widely seen to increase accessibility for candidates. Organisations are also increasingly reporting that technology has improved their candidates' experience and sped up the recruitment process. Of those that use AI, 66% said it improved hiring efficiency and 62% said it increased the availability of useful information for resource planning.

- As in previous years, most respondents believe their use of technology has been limited by lack of resources, skills and knowledge.

Practitioner recommendations

✓ Assess your internal capability and resource around recruitment technology; upskill and invest further where necessary.

✓ Explore technology that creates a highly engaged and bespoke candidate experience in order to attract higher-quality candidates and retain them post-offer.

✓ Ensure recruitment technology adopted meets the needs of your organisation and provides a fair and inclusive candidate experience. Continue to evaluate and improve your use of technology in your day-to-day working practices.

Rise in data use and talent management as priority

- More organisations are collecting data to inform their workforce planning and resourcing. The proportions of employers collecting data on the performance of new hires (31%, from 24% in 2022), the effectiveness of retention initiatives (20%, from 12% in 2022), the predictive validity of assessment methods (12%, from 7% in 2022) and the return on investment (ROI) of their recruitment processes (24%, from 13% in 2022) have all risen. Nevertheless, it is clear that many could take a more evidence-based approach.

- Organisations vary considerably in how far ahead they look when planning and taking action on current and future workforce requirements. Thirty-one per cent take a short-term approach (up to six months), while 18% are planning over two years into the future.

- More in line with pre-pandemic levels, 46% of respondents say their CEO has had talent management as a key priority over the last 12 months, up from 38% in 2022.

Practitioner recommendations

✓ Keep workforce planning simple if there is nothing in place at the moment – start small and build momentum and a business case of why it needs to be central to strategy.

✓ Take a comprehensive, data-based approach to improving all your resourcing decisions. Consider the entire workforce, including permanent and contingent hiring. Collect and evaluate data, and strengthen approaches based on the insights gained.

✓ Think about how jobs can be designed, particularly for hard-to-fill roles, to widen potential employee appeal, access and engagement. When recruiting, question what the need is and – rather than recruiting like for like – whether there is an opportunity to think more strategically and creatively about what is needed.

3 Current resourcing and talent practices

Variability in resourcing activity

The estimated number of vacancies in the UK has been declining since their post-pandemic peak around the time of our 2022 survey. While the overall level remains high by historical standards,[1] weak economic growth, high interest rates, rising living cost pressures, and wage inflation have meant a challenging year for many organisations.

Figure 1 shows considerable variability in resourcing activity over the last 12 months. Three in 10 organisations increased recruitment over the last year, while 17% decreased recruitment and 21% put recruitment activity on hold. Use of external services and/or temporary labour was increased in 20% of organisations and reduced in 19%.

The public sector was particularly divided: 30% reported recruitment had increased, 30% that it had decreased, and 29% that it had been put on hold. The proportion making redundancies (17%) was similar across sectors.

Figure 1: Has your organisation done any of the following over the last 12 months? (%)

Base: n=1,016.

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[1] ONS. (2024) Labour market overview, UK, May 2024 – Office for National Statistics (ons.gov.uk)

Competition for talent persists

Acute skill shortages persist, despite the loosening of the labour market. Significantly, 69% of respondents report that competition for well-qualified talent has increased over the past year, while 56% assert that talent is more difficult to retain (Figure 2). Growing retention challenges have been a particular issue for the public sector, where 71% report increased difficulty retaining talent.

The cooling of the labour market is reflected in the proportion of organisations that attempted to fill vacancies in the last year reporting they received more applicants for each vacancy compared with the previous year (Figure 2). They are more likely, however, to have seen an increase in the number of unsuitable applicants (52%) than suitable ones (34%).

Fifty-six per cent of organisations are increasing efforts to meet their talent requirements by developing more talent in-house, while 35% have replaced some jobs over the last year with technology and automation.

Many organisations are also widening their recruitment nets: 51% of those that attempted to fill vacancies say they recruited a more diverse workforce compared with the previous year and 45% recruited from a wider geography within the UK. Offering hybrid or remote working options can help expand the potential labour pool: 71% of organisations that offer this say it has allowed them to attract and retain more talent.

Figure 2: Views on the employment market and resourcing (%)*
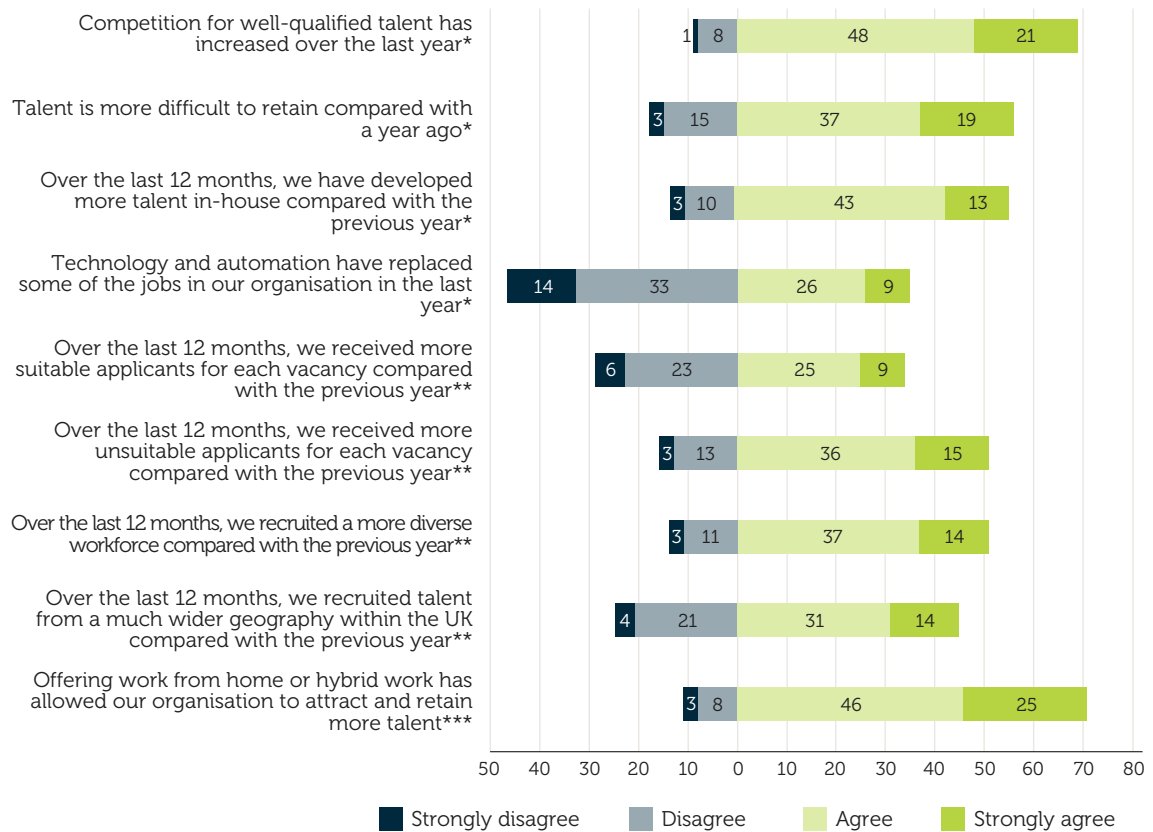
*Base: n=1,016 (all respondents).
Note: 'Neither agree nor disagree' responses are not shown.
**Unweighted base: n=815 (respondents that attempted to recruit over the last year).
***Unweighted base: n=827 (respondents that offer some form of work from home or hybrid work).

Impact of changes to migration rules

In March and April 2024, changes to UK migration rules for family and work visas came into force (see Box 1). Some 43% of respondents expect these changes to affect their resourcing. The private sector was most likely to anticipate an impact (48%), while public sector respondents were more likely to say they don't know how their resourcing will be affected (21%) (Figure 3). Larger organisations, with higher resourcing requirements, were also more likely to anticipate an impact (SMEs: 27%; larger organisations: 55%).

A tenth (10%) of organisations say they will reduce recruitment of migrant workers (Figure 4), while 23% will focus more on developing skills internally and 18% on improving job offerings to attract UK-born workers. Others plan to increase investment in automation (15%) or outsource more (14%). Smaller proportions report they will relocate the business or downsize in response to the changes.

Box 1: Changes to legal migration rules for family and work visas in 2024

- Social care workers are no longer allowed to bring dependants (ie partners and children) on their visa.

- The baseline minimum salary to be sponsored for a Skilled Worker visa has increased from £26,200 to £38,700, while the 'going rate' minimum salary specific to each job has also gone up significantly.

- A list of jobs for which it is possible to sponsor someone for a Skilled Worker visa at a reduced minimum salary has been made shorter and renamed the Immigration Salary List.

- The minimum income normally required to sponsor someone for a spouse/ partner visa has risen from £18,600 to £29,000. There are plans to increase it to around £34,500 later in 2024 and finally to around £38,700 by early 2025.

Source: McKinney, C.J. and Gower, M. (2024, May 29) *Changes to legal migration rules for family and work visas in 2024*. Research briefing. London: UK Parliament.

Figure 3: Will the 2024 UK changes to migration rules for family and work visas affect resourcing in your organisation? (%)

All repondents — 12, 44, 43
Private sector — 11, 41, 48
Public sector — 21, 47, 33
Non-profit sector — 8, 69, 23

■ It will have an impact   ■ N/A – It will have no impact   ■ Don't know
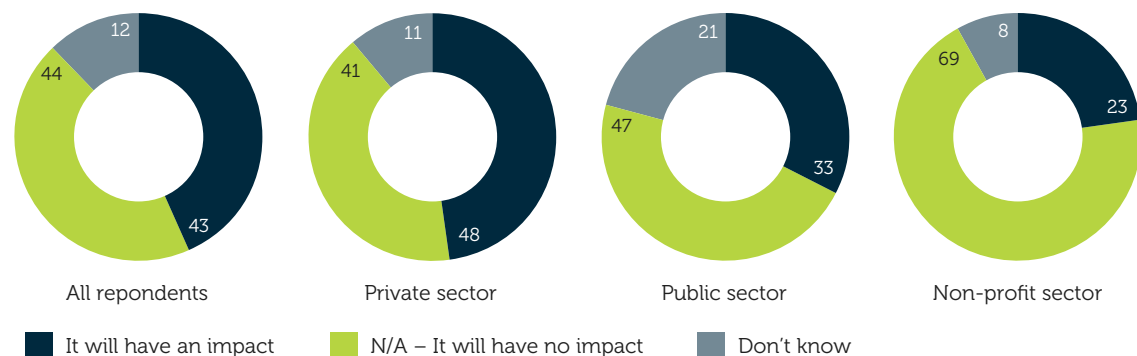
Base: n=1,016.

Figure 4: How, if at all, will the 2024 UK changes to migration rules for family and work visas affect resourcing in your organisation? (%)

	%
Increased focus on developing skills internally	23
Increased focus on improving job offering to attract UK-born workers	18
Increased administration time and costs to recruit migrant workers	16
Increased investment in automation	15
More outsourcing of certain activities	14
Reduced recruitment of migrant workers	10
Relocation of the business or certain functions/jobs	7
Downsizing	4
Other	2
Don't know	12
N/A – It will have no impact	44
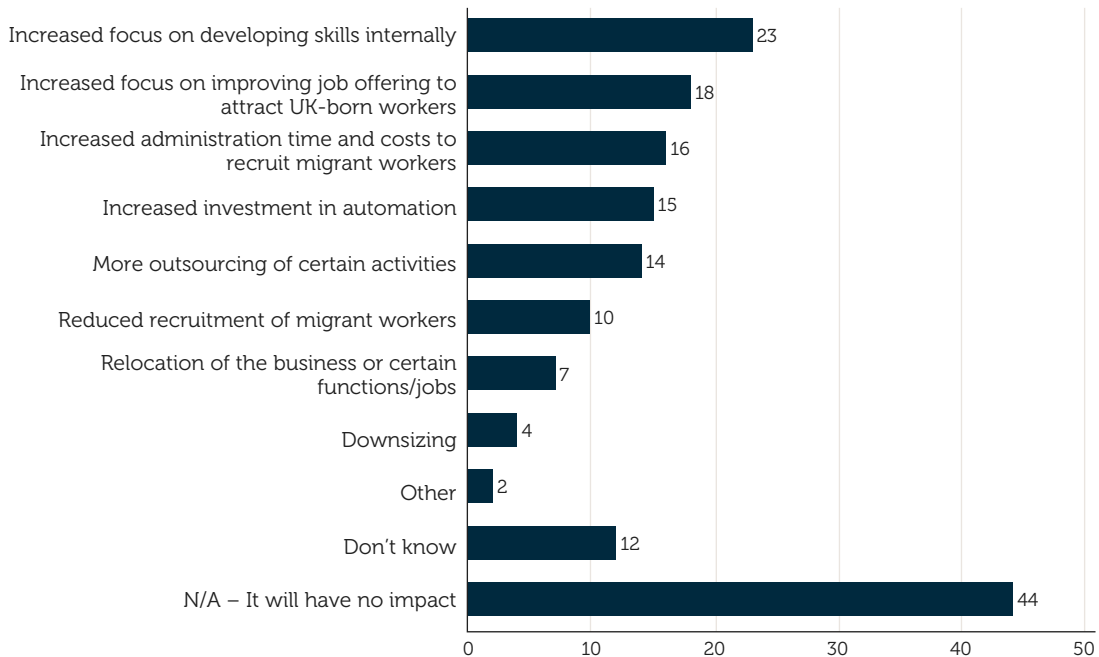
Base: n=1,016.

4 Recruiting activity, costs and budgets

Most organisations had some recruitment activity

Sixty-three per cent of organisations attempted to fill permanent vacancies in the last 12 months (2022: 72%; 2021: 65%) and 48% (2022: 49%; 2021: 47%) had attempted to fill short-term vacancies (34% temporary or interim vacancies and 35% fixed-term contractors). Just 16%, mostly small private sector organisations, had not attempted to fill any vacancies.

Over half make some use of recruitment agencies/outsourcing

Overall, 47% of organisations conduct all recruitment in-house with direct hiring, although this is more common among non-profits (77%) and least common in the private sector (43%). Twenty per cent conduct recruitment in-house with the use of recruitment agencies and 31% use a combination of in-house and outsourced recruitment. Few outsource all their recruitment (3%).

Figure 5: Is recruitment in your organisation...?

- In-house with direct hiring
- In-house with use of recruitment agencies
- Outsourced
- A combination of in-house and outsourced
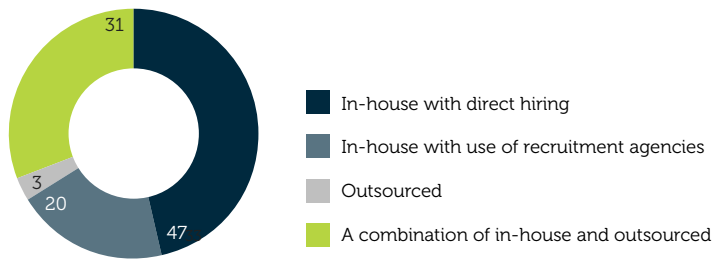
Base: n=1,016 (unweighted).

Of organisations that recruited over the last year, 56% sourced the majority of new starters via company adverts, although this was considerably more common in non-profits and the public sector. Private sector organisations were more likely than the public sector or non-profits to source candidates via a recruitment agency or recruitment process outsourcing (RPO) partner, or through proactive approaches. These findings are reflected in Figure 6.

Figure 6: Over the last 12 months, how were the majority of new starters sourced at your organisation? (% of respondents that hired)

- Via company adverts (eg careers website, job boards and social media)
- Via a recruitment agency
- Via a RPO
- Through proactive approaches by our company (not an active jobseeker)
- Other
- Don't know
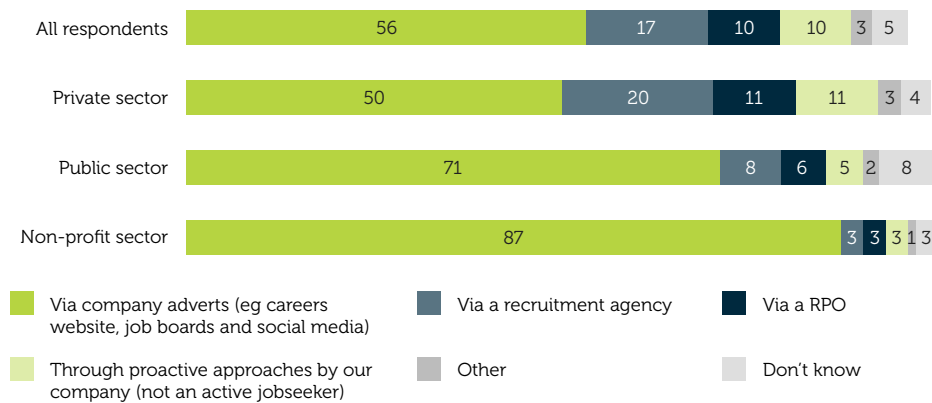
Base: n=859 (unweighted).
Note: All respondents bar adds up to 101% due to rounding.

Recruitment costs decreasing

Of our respondents, 246 were able to provide average costs per hire for senior managers/directors and 207 for other employees with an accuracy of ±20%.

The costs of recruiting vary considerably. The median cost of recruiting senior managers (£2,000) has fallen from £3,000 in 2022, and Table 1 suggests this is part of a longer-term reduction in median recruitment costs. The median cost of recruiting other employees remains the same as last year (£1,500), although the longer-term data for this group also shows a decline, albeit a less dramatic one. It is possible that as the economic climate has tightened, so too have recruitment budgets. The adoption of new recruitment technologies may also have had an impact.

In previous years, the median cost per hire has been higher in the private than in the public and non-profit sectors. In a change this year, median recruitment costs for senior managers/directors are highest in the public sector (Table 1), although

for 'other employees' they remain highest in the private sector. This may reflect the particular difficulties public sector organisations have experienced over the last year in recruiting for senior positions (see Recruitment difficulties). Considerable caution should be taken in comparing and interpreting these figures, however, due to the small sample size and high variation across organisations (part of which may be attributable to the inclusion of different costs in estimates).

Table 1: Median average cost per hire (including in-house resourcing time, advertising costs, agency or search fees) for estimates accurate to ±20% (£)

Occupational group	All respondents £ (base)	Private sectors £ (base)	Public sector* £ (base)	Non-profit sector* £ (base)
Senior managers/directors				
2024 survey	**2,000 (246)**	**2,000 (194)**	**2,500 (33)**	**1,800 (19)**
2022 survey	3,000 (265)	3,000 (202)	2,000 (39)	2,000 (24)
2021 survey	3,000 (232)	3,000 (174)	2,000 (34)	1,500 (24)
2020 survey	5,000 (259)	5,000 (177)	3,000 (46)	3,000 (36)
2017 survey	6,000 (143)	8,000 (103)	3,000 (18)	5,000 (22)
2015 survey	7,250 (68)	9,500 (47)	2,500 (11)	4,000 (10)
2013 survey	5,000 (79)	6,000 (55)	5,500 (8)	4,500 (16)
2012 survey	8,000 (105)	10,000 (74)	5,000 (11)	6,000 (20)
2011 survey	7,500 (150)	8,000 (111)	5,000 (15)	3,500 (26)
Other employees				
2024 survey	**1,500 (207)**	**1,750 (159)**	**1,000 (34)**	**600 (15)**
2022 survey	1,500 (195)	2,000 (152)	1,000 (25)	600 (18)
2021 survey	1,000 (174)	1,200 (129)	1,000 (27)	750 (18)
2020 survey	2,000 (226)	2,500 (154)	1,500 (41)	1,500 (31)
2017 survey	2,000 (160)	2,500 (115)	1,000 (24)	700 (21)
2015 survey	2,000 (80)	2,050 (55)	1,000 (12)	1,500 (13)
2013 survey	2,000 (82)	2,200 (58)	1,500 (8)	875 (16)
2012 survey	3,000 (98)	3,000 (71)	2,000 (10)	2,000 (17)
2011 survey	2,500 (150)	2,500 (114)	3,000 (14)	1,500 (22)

* Caution should be applied in comparing the costs for each sector due to the small number of respondents.

Recruitment and talent management budgets

Thirty-two per cent of private sector organisations anticipate an increase to their recruitment budget in 2024/25 and just 10% anticipate a decrease. The converse is broadly true in the public sector (Figure 7). Non-profits are most likely to expect their budget to remain the same, with around one in five (19%) anticipating an increase. There is a similar pattern for talent management budgets (Figure 8).

These findings highlight the strain on public sector finances and the challenges they face in balancing delivery with cutting costs. CIPD research showed that public sector employers had been twice as likely as those in the private sector to be planning to lower staffing levels. Cash-strapped councils, civil service streamlining, and higher wage costs could be contributing factors.

Overall, nearly one in 10, predominantly small organisations, do not anticipate any recruitment over the next year. Smaller organisations were also more likely to report no talent management spend.

Figure 7: Will your organisation's recruitment budget increase, decrease or stay the same? (%)

All repondents — Increase 27, Stay the same 41, Decrease 14, Not applicable 9, Don't know 8

Private sector — Increase 32, Stay the same 41, Decrease 10, Not applicable 10, Don't know 7

Public sector — Increase 10, Stay the same 36, Decrease 34, Not applicable 6, Don't know 14

Non-profit sector — Increase 19, Stay the same 55, Decrease 7, Not applicable 10, Don't know 8

- Increase
- Stay the same
- Decrease
- Not applicable (no recruitment anticipated)
- Don't know

Base: n=1,016.

Figure 8: Will your organisation's talent management budget (to attract, identify, develop, engage and retain key employees) increase, decrease or stay the same? (%)

All repondents — Increase 27, Stay the same 41, Decrease 10, Not applicable 14, Don't know 9

Private sector — Increase 31, Stay the same 41, Decrease 7, Not applicable 13, Don't know 8

Public sector — Increase 13, Stay the same 34, Decrease 23, Not applicable 16, Don't know 14

Non-profit sector — Increase 17, Stay the same 52, Decrease 2, Not applicable 19, Don't know 10

- Increase
- Stay the same
- Decrease
- Not applicable (no talent management spend)
- Don't know

Base: n=1,016.

5 Attraction strategies

Most took action to improve employer brand

In a competitive labour market, an appealing employer brand is critical for attracting and retaining talent, and so 81% of organisations took some action to improve their brand over the last year (Figure 9). Expanding flexible working opportunities and making pay and benefits more competitive continue to be the most common initiatives, although there are sector differences. The non-profit sector was notably likely to increase flexible working (48%), while cash-strapped public sector organisations were less likely to take action to improve pay and benefits (16%) and more likely to refresh or promote their values (41%).

Figure 9 shows a rise in the proportion that moved to develop social media content strategy, improve candidate experience, the work environment and career development options, as well as attend career fairs or networking events, compared with our last survey.

Just 14% have taken steps to measure the impact of their employer brand, although there was a small increase in the proportion monitoring feedback received through websites such as Glassdoor and social media.

A minority focused on employee-led content (16%) or created a brand ambassador programme to encourage internal engagement (8%). Harnessing employee voice can create a more genuine and relatable brand image and help to attract candidates who align with the company's values and culture, as well as provide insights that can help organisations improve their practices.

Figure 9: Actions undertaken in the last year to improve employer brand (%)

Action	2024	2022
Increased flexible working opportunities	35	34
Made pay and benefits more competitive	34	33
Refreshed or promoted our values	30	26
Increased hybrid working opportunities	30	32
Improved the work environment	30	23
Developed social media content strategy	28	19
Improved career development options	26	19
Improved our candidate experience	24	15
Attended career fairs or networking events	20	11
Improved job roles	20	17
Enhanced corporate social responsibility activity	20	16
Focused on employee-led content*	16	–
Monitored feedback received through other websites (eg Glassdoor) and social media	15	9
Developed/enhanced corporate careers website	14	8
Taken steps to measure the impact of our employer brand	14	12
Actioned feedback received through other websites (eg Glassdoor) and social media	11	6
Created brand ambassador programmes to encourage internal engagement*	8	–
Other	1	1
Not applicable – no action taken	19	25

*New item introduced in 2024
Base: n=1,016 (2024); n=1,055 (2022).

Multi-channel approach to attracting candidates

Many organisations, particularly larger ones, use a range of methods to attract candidates (Figure 10). Corporate websites, internal advertising to existing talent pools and recruitment/search consultants continue to be among the most effective approaches. But, as shown in Figure 11, the proportion that hold these methods as effective has dropped over the last few years, possibly in part due to changes in candidate behaviour and the competitive talent market.

Job boards and professional and social networking sites (for both targeted campaigns and organic content) also feature among the most effective methods of attracting candidates. Some 14% found directly targeting passive candidates effective and 9% the use of programmatic advertising (ie using automated technology to buy advertising space).
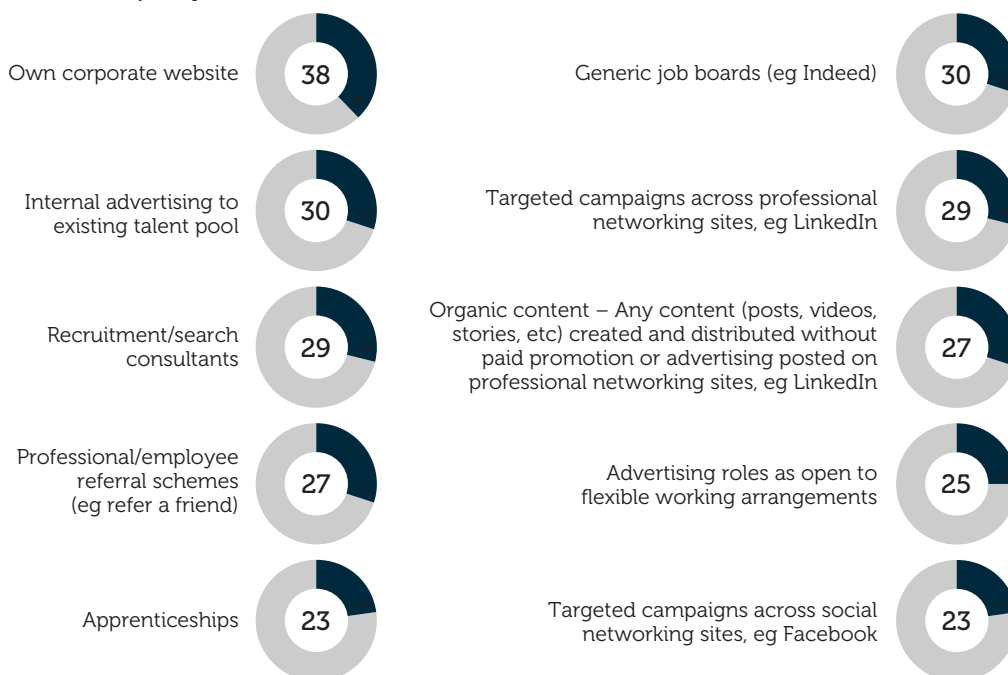
As in previous years, there are considerable sector differences in this area. Private sector organisations were less likely than public or non-profit employers to include their own corporate website or internal advertising and more likely to include recruitment/ search consultants, and direct targeting of passive jobseekers among their effective attraction methods. They were also more likely to include professional/employee referral schemes. These can be helpful and cost-effective in attracting candidates when the labour market is tight, and act as an incentive for employees to recommend their employer as a great place to work, but employers need to take steps to ensure that recruitment standards and equality, diversity and inclusion (EDI) issues are not compromised through such schemes. The public sector was most likely to include secondments and commercial/industry-specific job boards and specialist journals/ trade press among their most effective methods, while non-profits were most likely to include advertising roles as open to flexible working arrangements. These differences reflect, at least in part, variation in the attraction methods used across sectors.

Figure 10: Top 10 effective attraction methods in the last 12 months (% of those that attempted to recruit in the past year)

Method	%	Method	%
Own corporate website	38	Generic job boards (eg Indeed)	30
Internal advertising to existing talent pool	30	Targeted campaigns across professional networking sites, eg LinkedIn	29
Recruitment/search consultants	29	Organic content – Any content (posts, videos, stories, etc) created and distributed without paid promotion or advertising posted on professional networking sites, eg LinkedIn	27
Professional/employee referral schemes (eg refer a friend)	27	Advertising roles as open to flexible working arrangements	25
Apprenticeships	23	Targeted campaigns across social networking sites, eg Facebook	23

Base: n=815 (unweighted).

Figure 11: Changes in effective attraction methods (% of those that attempted to recruit)
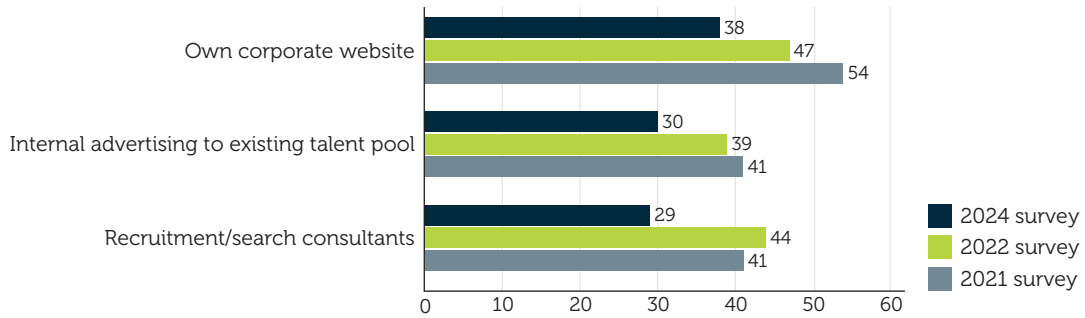
Base: n=815 (2024); n=778 (2022); n=753 (2021) (unweighted).

Figure 12: Methods used to attract diverse candidates (%)
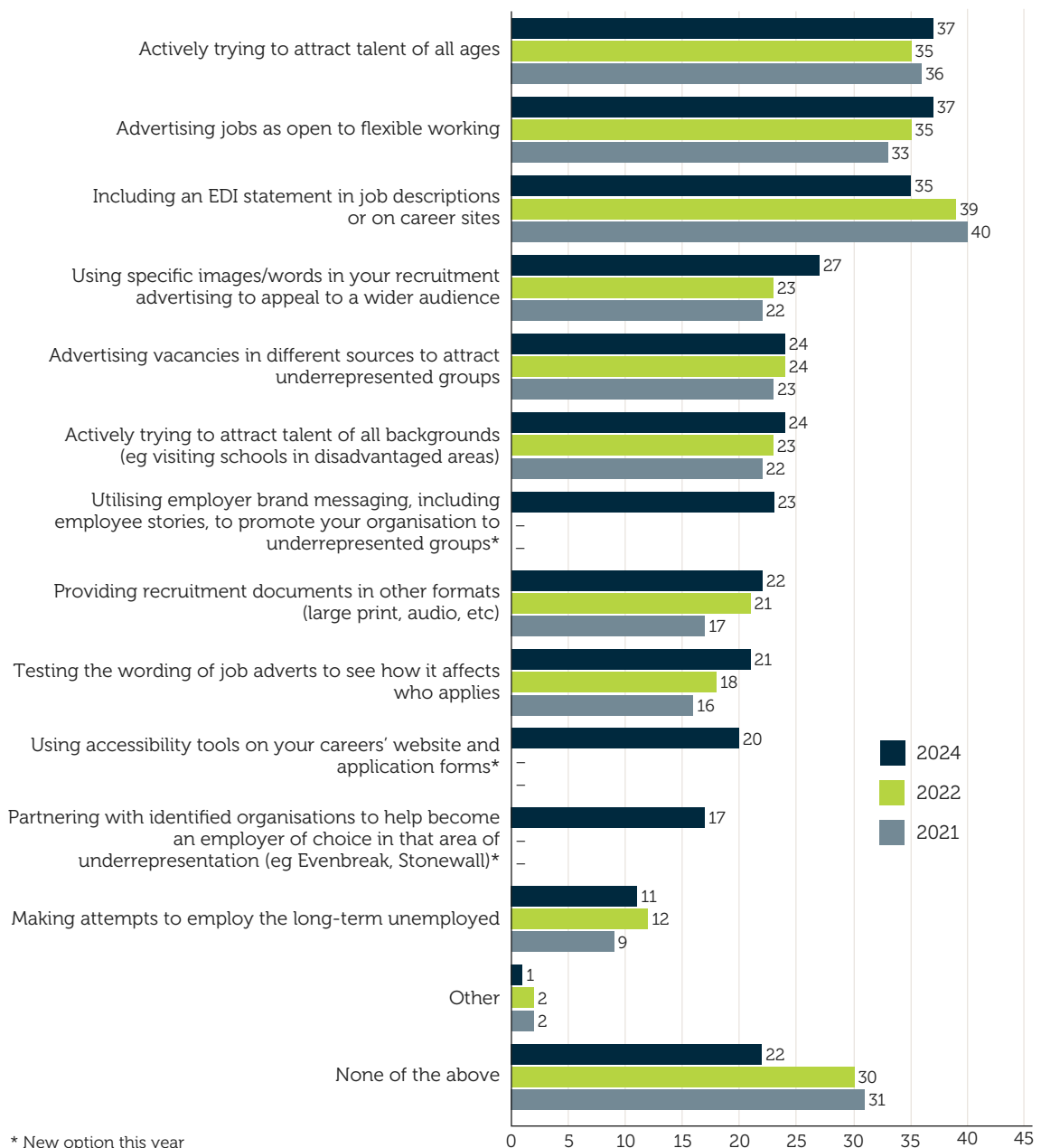
* New option this year
'Don't know' responses excluded.
Base: n=899 (2024); n=888 (2022); n=835 (2021) (unweighted).

Attraction strategies

Most take some steps to attract diverse candidates

Overall, 66% say their organisation has a formal EDI strategy (8% don't know). They were most common (85%) in the public sector (non-profit: 72%; private: 62%) and in larger organisations across all sectors.

Figures 12 and 13 suggest small improvements in efforts to attract diverse candidates and address diversity in recruitment and selection. The public sector, non-profits and larger private organisations were most proactive, as in previous years. But many could take a more robust and comprehensive approach to increase accessibility, attract a wider range of candidates and remove bias from their recruitment and selection processes. Interestingly, there has been a reduction (35%, down from 39% in 2022, and 40% in 2021) in including an EDI statement in job descriptions or on career sites.

Figure 13: Methods used to address diversity in recruitment and selection processes (%)

| Method	2024	2022	2021
Ensuring a diverse interview panel/hiring team	31	27	24
Training for all interviewers on legal obligations and objective interview practice	28	28	30
Determining selection criteria and approach in advance to ensure it is directly related to performance on the job	27	25	25
Removing certain biographical details (ie name, gender, age, university) from initial selection processes	27	26	25
Monitoring recruitment and/or staffing information to obtain data on protected characteristics	26	23	22
Adjusting recruitment/selection processes to facilitate inclusion of neurodivergent candidates, disabled candidates and/or candidates with long-term health conditions	25	20	19
Operating policies that go beyond basic legislative requirements on protected characteristics	22	20	20
Remove certain criteria from job requirements, such as first-class degree	22	23	23
Including people in hiring decisions who have not been involved in assessing candidates	20	16	15
Setting development and promotion targets	18	12	11
Checking that any tests used are valid, reliable and objective and were tested on diverse norm groups	17	17	15
Setting recruitment targets to correct a workforce imbalance	15	13	11
Other	1	1	1
None of the above	27	34	34

'Don't know' responses excluded.
Base: n=893 (2024); n=868 (2022); n=820 (2021) (unweighted).

Half say managers or leaders have attended inclusive leadership training

Half (50%) of respondents report that their managers or leaders have attended inclusive leadership training or coaching over the last 12 months (Figure 14). Up from 54% in 2022, 60% now provide recruitment training for line managers involved in hiring, while 73% (67% in 2022) say line managers follow objective assessment and scoring criteria when recruiting. However, far fewer (28%) state that all interviewers are trained on legal obligations and objectives (Figure 13).

The public sector is considerably more likely to provide all these training options compared with the private sector.

Figure 14: Inclusive leadership and recruitment training (%)

Have managers or leaders at your organisation attended any inclusive leadership training or coaching over the last 12 months?

Do you provide recruitment training for line managers involved in hiring decisions?

Do your line managers follow objective assessment and scoring criteria when recruiting?

Yes No Don't know
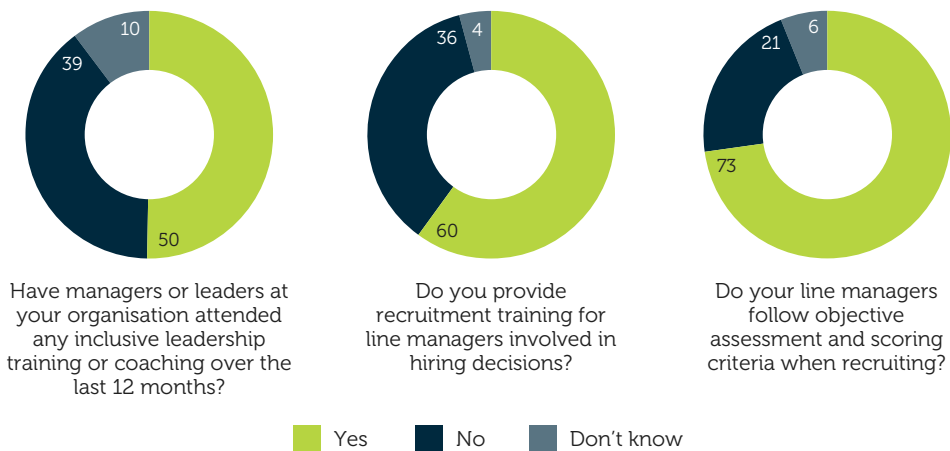
Base: n=1,016.

Increasing effort to recruit diverse board candidates

More organisations are actively trying to recruit diverse candidates to the board (Figure 15) – 40% are very or extremely active, while only 17% are not at all active.

Figure 15: How active is your organisation in its efforts to recruit more diverse candidates to board level? (%)

2024	11	29	29	14	17
2022	10	22	25	13	30
2021	9	20	30	15	27

Extremely active Very active Moderately active
Slightly active Not at all active
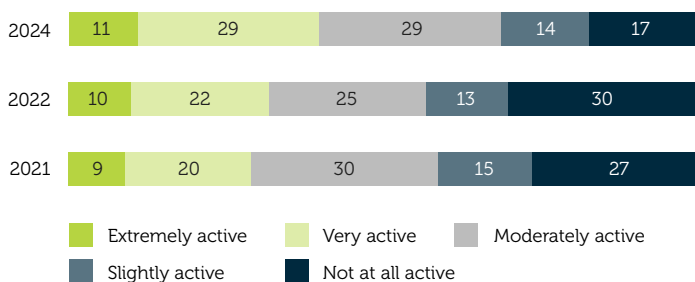
Don't know and N/A responses excluded.
Base: n=767 (2024); n=759 (2022); n=740 (2021) (unweighted).

Rise in entry-level and career-returner programmes

With strong competition for talent, a sizeable proportion (56%) are increasing efforts to meet their needs by developing more talent in-house (Figure 2).

In line with this, Figure 16 shows a small increase in the proportion of organisations using or planning to introduce entry-level or career-returner programmes to access and grow the skills they need. Currently, 51% offer apprenticeships, 44% graduate programmes, and just over a third offer intern schemes (35%), post-A-level entry routes (34%) or career-returner programmes (34%).

All the initiatives listed in Figure 16 were more common in larger organisations. In addition, apprenticeships and graduate programmes were more common in the public sector, while intern schemes were somewhat more common in the private sector.

Figure 16: Initiatives that organisations currently offer, plan to introduce or plan to stop in the next 12 months (%)

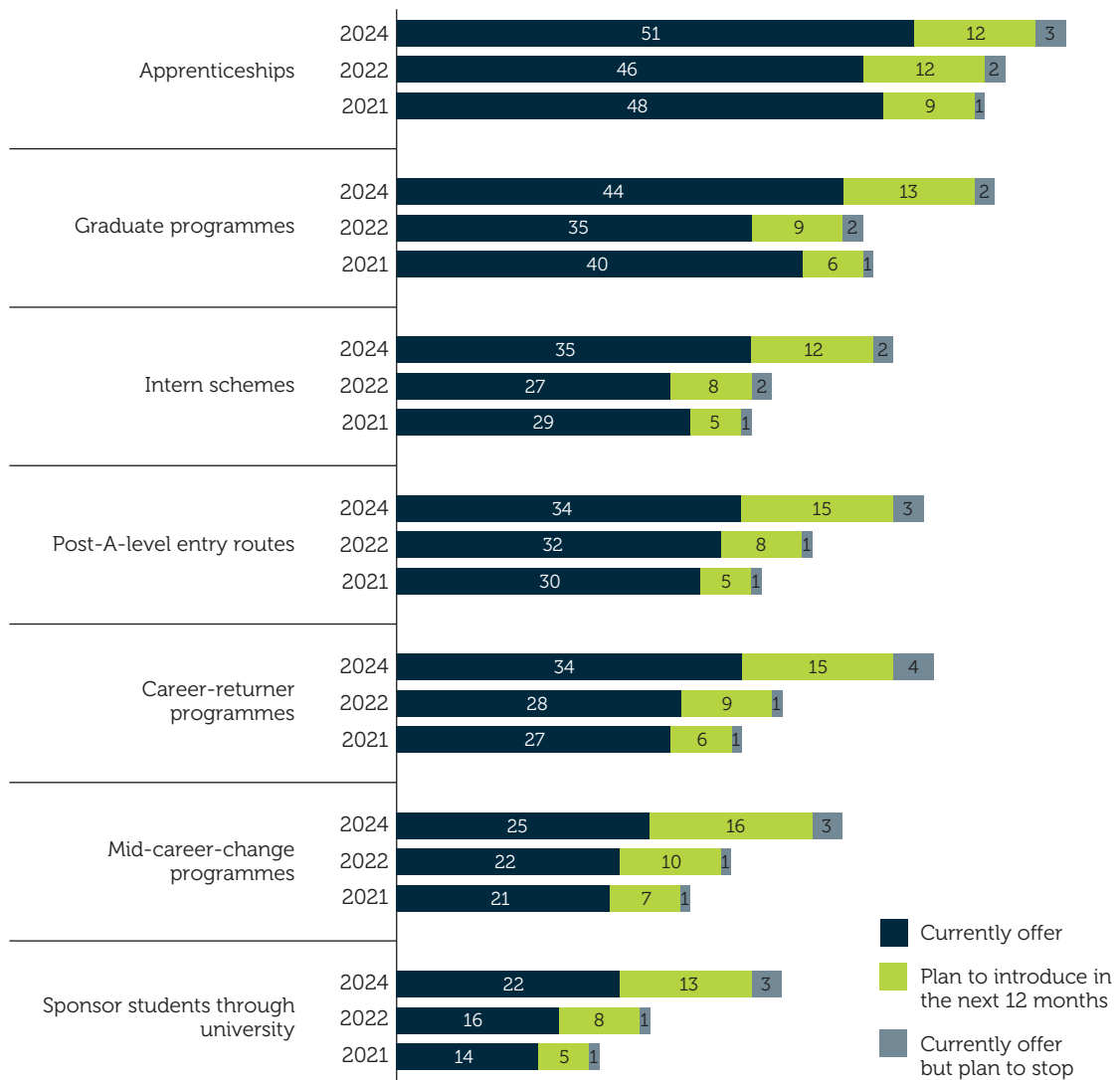|		Currently offer	Plan to introduce in the next 12 months	Currently offer but plan to stop
Apprenticeships	2024	51	12	3
	2022	46	12	2
	2021	48	9	1
Graduate programmes	2024	44	13	2
	2022	35	9	2
	2021	40	6	1
Intern schemes	2024	35	12	2
	2022	27	8	2
	2021	29	5	1
Post-A-level entry routes	2024	34	15	3
	2022	32	8	1
	2021	30	5	1
Career-returner programmes	2024	34	15	4
	2022	28	9	1
	2021	27	6	1
Mid-career-change programmes	2024	25	16	3
	2022	22	10	1
	2021	21	7	1
Sponsor students through university	2024	22	13	3
	2022	16	8	1
	2021	14	5	1

Base: n=1,016 (2024); n=1,055 (2022); n=1,018 (2021).

6 Flexible and hybrid/remote working

Demand for flexible and hybrid/remote working remains strong: 71% of those that offer it report that offering home or hybrid working has allowed them to attract and retain more talent (Figure 2), and offering greater work flexibility has been one of the most common responses to recruitment difficulties (Figure 31). Increasing flexible and hybrid working has also been among the most common steps taken over the last year to improve employee brand (Figure 9).

Increase in hybrid/remote working

Most organisations now offer some hybrid/remote options, with 29% reporting their use of these has increased in the last 12 months (Figure 17). There has been a corresponding rise in the proportion of organisations (54%) that advertise at least some vacancies as 'open to location' – up from 47% in 2022 (Figure 18).

There are a number of sectoral differences. Public sector organisations, with their high proportion of front-line roles, were most likely to report they have never offered hybrid/remote working and were less likely to advertise vacancies as open to location (Figures 17 and 18). Non-profits were most likely to offer some form of hybrid/remote work and to report no change over the last year. Increases in hybrid/remote working were most common among private organisations, which were also more than twice as likely as their public or non-profit counterparts to anticipate further increases in their use of hybrid/remote working (Figure 19).

Figure 17: Has your organisation's use of hybrid/remote working increased or decreased in the last 12 months (%)
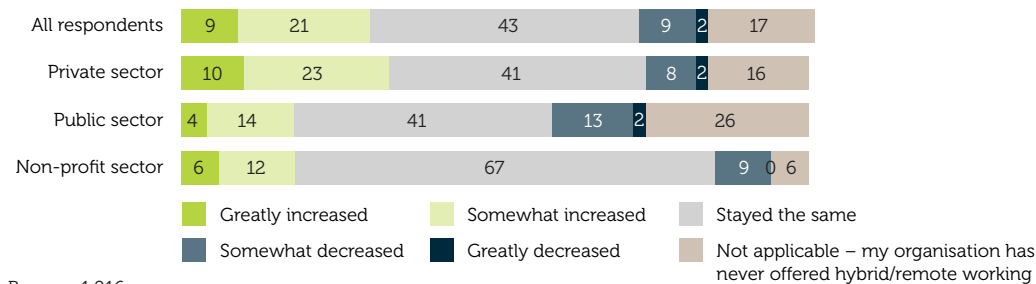

Base: n=1,016.

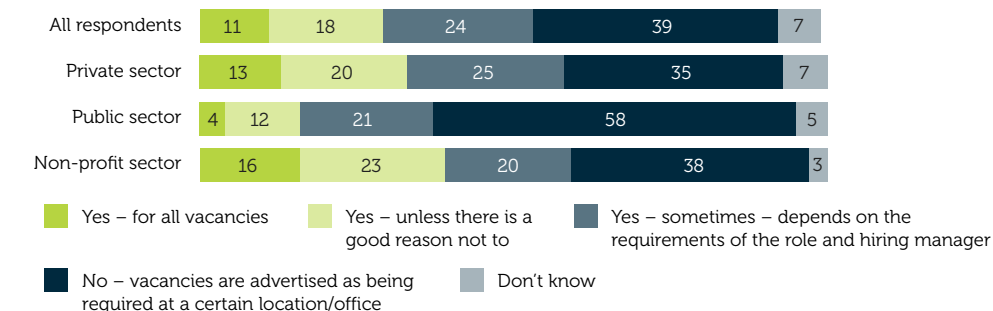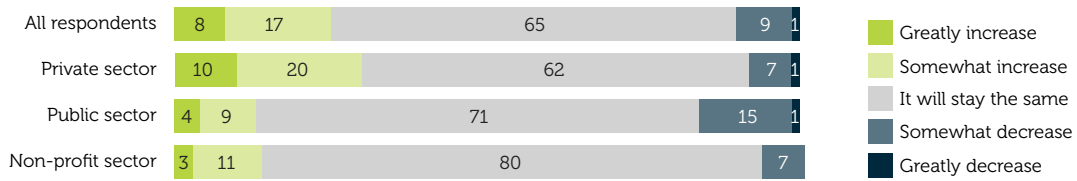**Figure 18: Does your organisation advertise any job vacancies as 'open to location'? (%)**

Base: n=1,016.

Figure 19: Does your organisation expect to increase or decrease its hybrid/remote working offering over the next 12 months?

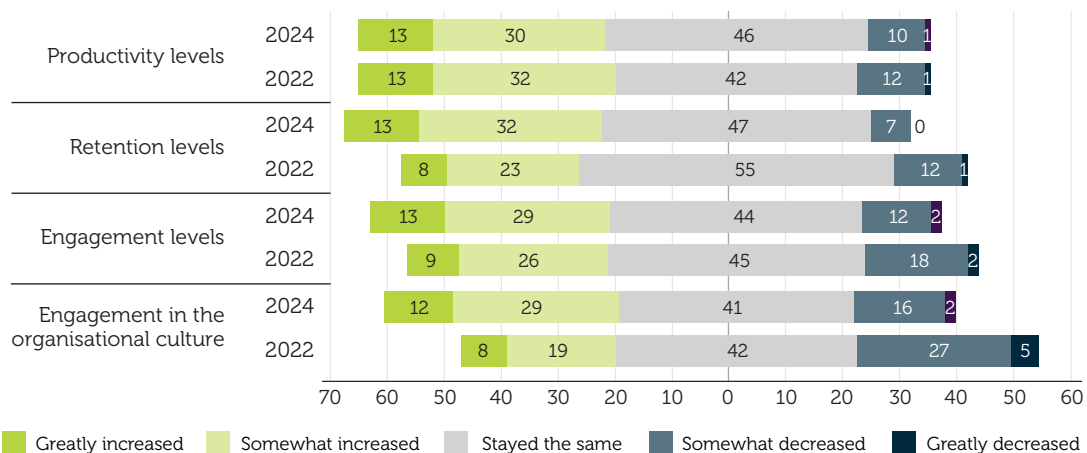|	Greatly increase	Somewhat increase	It will stay the same	Somewhat decrease	Greatly decrease
All respondents	8	17	65	9	1
Private sector	10	20	62	7	1
Public sector	4	9	71	15	1
Non-profit sector	3	11	80	7	

Base: n=1,016.

More are benefiting from hybrid/remote working

Most organisations have benefited from offering hybrid/remote working options. Over two-fifths believe their productivity, engagement and retention have increased as a consequence (Figure 20). Some, however, report a negative impact in these areas, particularly regarding the impact of hybrid/remote working on engagement in the organisation culture. Nevertheless, organisations are less negative regarding the impact of hybrid/remote working on engagement and retention than in 2022, perhaps a consequence of learning how to overcome the challenges of hybrid/remote working and to manage it more effectively.

CIPD research suggested that effective onboarding of hybrid and remote workers can pose particular challenges, and this year's survey explored if organisations are making efforts to address this. Among those that offer hybrid/remote working, 55% have reviewed their induction/onboarding approach for home/hybrid workers over the last five years, most commonly through facilitating meetings and introductions early in the induction process and increasing technology and other support (Figure 21). Of those that had reviewed their approach, 48% provided opportunities for socialising and social connections, 43% assigned new recruits a mentor or buddy, and 48% provided support with understanding the organisation culture.

Investing in effective onboarding is likely to reap benefits. Those that had reviewed their induction/onboarding support for home/hybrid workers were more likely to report that home/hybrid working has had a positive impact on productivity, retention and engagement (particularly engagement in the organisation culture) compared with those that hadn't reviewed their induction/onboarding approach.

Figure 20: Have any of the following increased or decreased as a result of your organisation offering hybrid/remote working? (% of those that have offered hybrid/remote working)

		Greatly increased	Somewhat increased	Stayed the same	Somewhat decreased	Greatly decreased
Productivity levels	2024	13	30	46	10	1
	2022	13	32	42	12	1
Retention levels	2024	13	32	47	7	0
	2022	8	23	55	12	1
Engagement levels	2024	13	29	44	12	2
	2022	9	26	45	18	2
Engagement in the organisational culture	2024	12	29	41	16	2
	2022	8	19	42	27	5

Base: those that offer hybrid/remote working: n=798 (2024); n=630 (2022) (unweighted).

Figure 21: Whether and how organisations have reviewed their induction/onboarding approach for home/hybrid workers in the last five years (% of respondents that have remote/hybrid workers)

In the last five years, has your organisation reviewed your induction/onboarding approach for home/hybrid workers?

If yes, how?

Facilitate meetings and introductions early in the induction process	52
Enhanced support to new starters	51
Increased technology support (such as access to systems, shared online spaces and meeting platforms)	51
Support with understanding the organisational culture	48
Provide opportunities for socialising and social connections	48
Support to help new recruits work effectively in a hybrid/remote pattern	46
Made induction a key part of management training	45
Assigned a mentor or buddy to new recruits	43

Pie chart: Yes 55, No 32, Don't know 13

Base: n=798 (respondents that have remote/hybrid workers); n=411 (reviewed induction/onboarding) (unweighted).

Nearly three-quarters advertise jobs as open to flexible working

Some 23% advertise all job vacancies as open to flexible working and an additional 50% do so for at least some jobs (Figure 22). SMEs are most likely to report they do not advertise any jobs as open to flexible working (38%, compared with 11% of larger organisations).

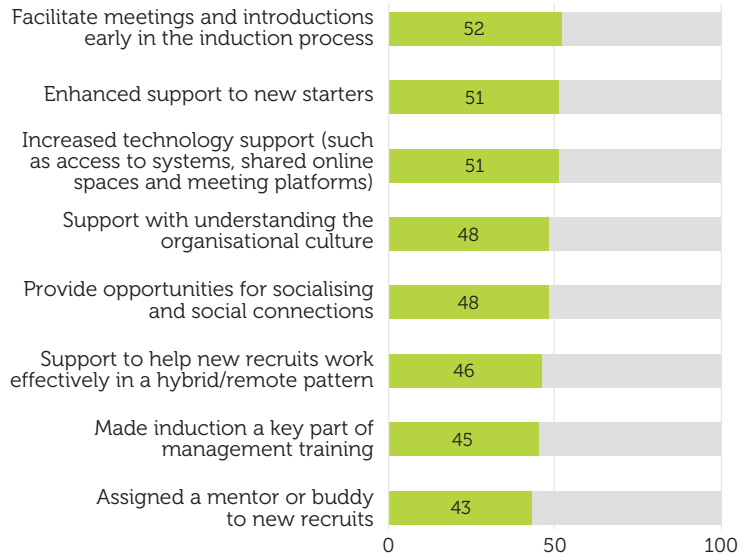**Figure 22: Does your organisation advertise any job vacancies as open to flexible working? (%)**

Doughnut chart: 23, 26, 24, 22, 4

- Yes – for all vacancies
- Yes – unless there is a good reason not to
- Yes – sometimes – depends on the requirements of the hiring manager
- No – vacancies are not advertised as open to flexible working
- Don't know
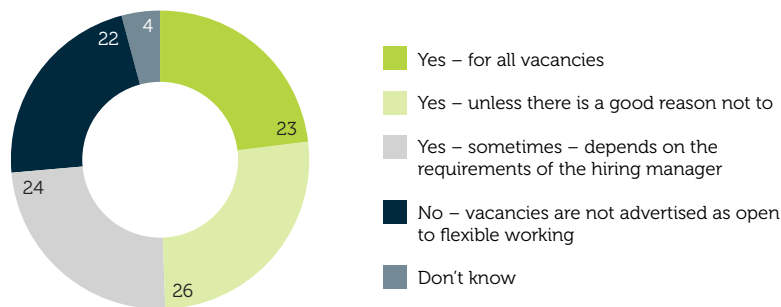
Base: n=1,016.

Nearly three-fifths offer flexible options to non-office/front-line roles

While the view that certain roles aren't suitable for flexible working persists, some are finding creative solutions for employees in front-line roles to provide more attractive job offerings and meet employees' needs.[2] New questions this year explored the extent of flexible working offerings for workers in non-office and front-line roles: 57% offered some form of flexible working for people in these roles, while 23% didn't, with

[2] CIPD. (2023) *Flexible and hybrid working practices in 2023: Employer and employee perspectives*. London: Chartered Institute of Personnel and Development.

no significant differences across sectors (Figure 23). Flexibility in start and finish times was the most common offering overall, followed by flexibility of location and in scheduling of shifts/rotas. The majority of the public sector also offer compressed hours (72%) and job-shares (60%) to non-office/front-line workers, but these were far less common in the private and non-profit sectors.

Figure 23: Flexible working for workers in non-office and front-line roles (% of those that offer this)

Does your organisation offer flexible working for workers in non-office and front-line roles?
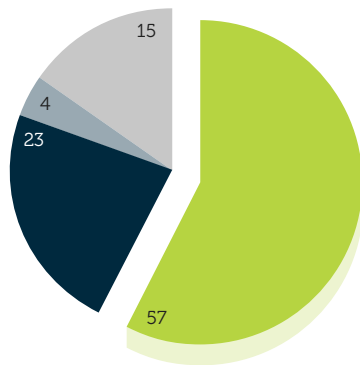
If yes, how?

- Yes
- No
- Don't know
- Not applicable – my organisation does not employ non-office/front-line workers

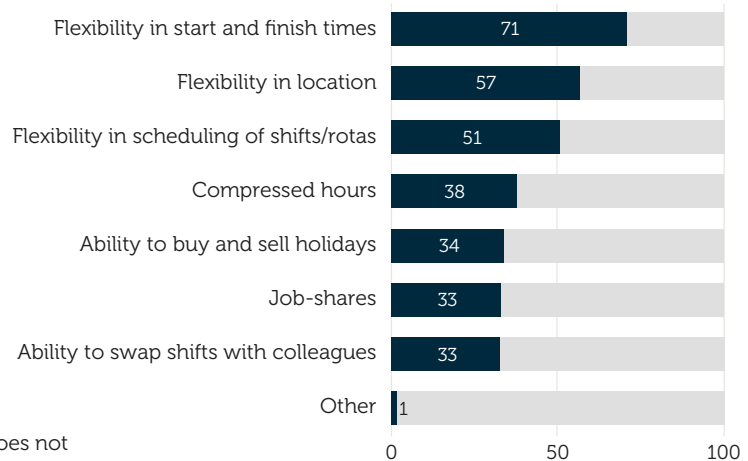| If yes, how?	%
Flexibility in start and finish times	71
Flexibility in location	57
Flexibility in scheduling of shifts/rotas	51
Compressed hours	38
Ability to buy and sell holidays	34
Job-shares	33
Ability to swap shifts with colleagues	33
Other	1

Base: n=1,016 (all); n=551 (offer flexible working to workers in non-office/front-line roles) (unweighted).

7 Selection processes

Less focus on previous experience and education

Most organisations, particularly larger organisations, use a combination of methods in their selection process. There is a decline in the use of previously common selection methods, including work history/experience and educational qualifications (Figure 24). This may be partly due to the increased focus on skills-based hiring and developing any missing skills. There has not been a reduction in the proportion of organisations sponsoring professional qualifications in response to recruitment difficulties (Figure 31). There has been a reduction in the proportion conducting thorough CV/application screening, although more are using these as a base for interviews.

Most organisations (90%) use some form of selection interview. Around half conduct interviews that follow the contents of CVs/applications (55%), competency-based interviews (52%) and/or skills-based interviews (48%). Around two-fifths use strengths-based and/or values-based interviews, although these were both more common in the public and non-profit sectors.

As in previous years, around three-fifths of organisations (61%) use some form of test or assessment (Figure 24); however, there is a fall in the proportion conducting pre-application assessments (ie situational judgement tests). Just 10% use tools to enable self-selection. Wider adoption of these tools would likely be beneficial, given our findings in Figure 2 that over half of organisations report receiving an increased number of unsuitable candidates over the last year.

Figure 24: Methods used to select applicants (%)

Previous work history/experience
- 2024: 60
- 2022: 77
- 2021: 82

Interviews following contents of CV/application form
- 2024: 55
- 2022: 46
- 2021: 49

Thorough CV/application screening
- 2024: 54
- 2022: 61
- 2021: 72

Competency-based interviews
- 2024: 52
- 2022: 51
- 2021: 60

Skills-based interviews
- 2024: 48
- 2022: –
- 2021: –

Educational qualifications
- 2024: 46
- 2022: 59
- 2021: 68

Strengths-based interviews
- 2024: 40
- 2022: 29
- 2021: 38

Values-based interviews
- 2024: 36
- 2022: 32
- 2021: 38

Verbal and/or numerical reasoning tests
- 2024: 22
- 2022: 22
- 2021: 28

Work-sample tests
- 2024: 21
- 2022: 17
- 2021: 18

Pre-application assessments (ie situational job tests)
- 2024: 21
- 2022: 30
- 2021: 36

Assessment centres
- 2024: 19
- 2022: 16
- 2021: 22

Personality/psychological questionnaires
- 2024: 18
- 2022: 17
- 2021: 22

Group exercises
- 2024: 16
- 2022: 14
- 2021: 15

Other aptitude assessments
- 2024: 16
- 2022: 20
- 2021: 27

Tools to enable self-selection (ie realistic job preview or values preview)
- 2024: 10
- 2022: 15
- 2021: 14

Legend: 2024, 2022, 2021

Base: n=1.016 (2024): n=1.055 (2022): n=1.018 (2021).

Limited adoption of recruitment technologies

The adoption of recruitment technology remains very limited, with only 26% of organisations using applicant tracking systems. Video and telephone interviews remain the most common technologies used in the recruitment process, although their use has fallen over the last few years. The use of most other technologies shown in Figure 25 has increased, but only very slightly.

Around a quarter use online induction platforms and online tests/assessments, while the adoption of other technologies remains limited, particularly in smaller organisations and the public sector. Nearly half (45%) of SMEs and 34% of public sector organisations don't use any of the technologies shown in Figure 25.

Many feel their use of technology has been limited by lack of internal technical skills/knowledge and/or resources (Figure 27).

Figure 25: The use of technologies in the recruitment process (%)

Base: n=1,016 (2024); n=1,055 (2022); n=1,018 (2021).

Selection processes

Limited but increasing use of AI

Figure 26 suggests an increase in the use of AI or machine learning technologies in recruitment processes, although this remains far from common. Around four-fifths of SMEs and public sector organisations, and an even higher proportion of non-profits, don't use any AI or machine learning technologies in their recruitment process. Although small adoption overall, there are some significant shifts in use, such as with using AI to write job descriptions to appeal to candidates (7 percentage points increase since 2022), using chatbots to respond to candidates' questions (9 percentage points increase), AI to shortlist candidates (7 percentage points increase), and onboarding (8 percentage points increase). These shifts are being driven by the widespread adoption of free generative AI tools, as well as software vendors incorporating generative AI features.

Figure 26: The use of artificial intelligence (AI) or machine learning in recruitment processes (%)
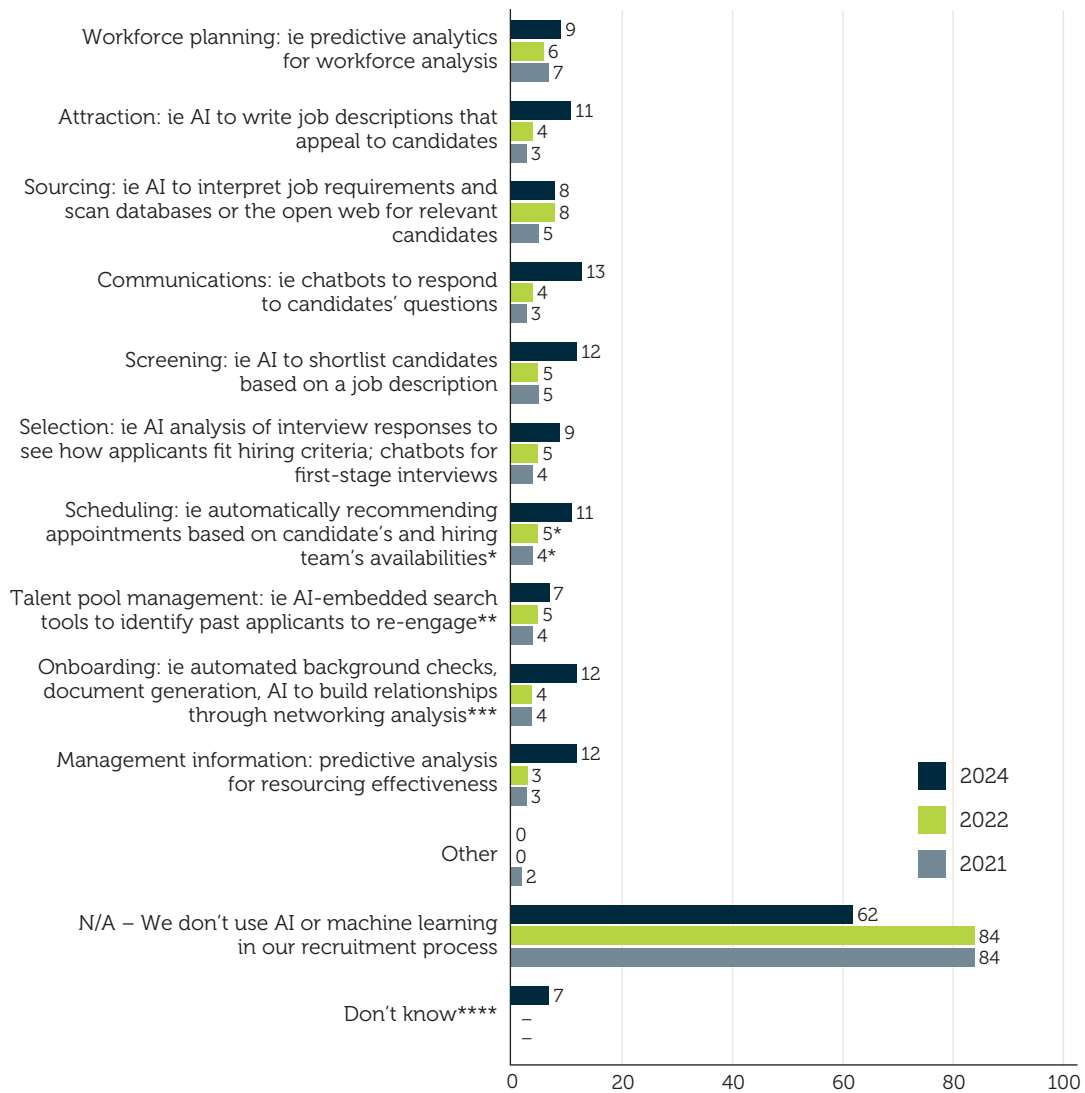
*In 2024 this item was rephrased. In 2022 and 2021 it was: 'Scheduling: ie automatically aligning candidate and hiring team schedules for available connection'.

**In 2024 this item was rephrased. In 2022 and 2021 it was: 'Talent pool management: ie AI to search databases for relevant past applicants to re-engage'.

***In 2024 this item was rephrased. In 2022 and 2021 it was: 'Onboarding: ie document generation, AI to build relationships through networking analysis, feedback analysis'.

****Not included in 2022 and 2021.

Base: n=1,016 (2024); n=1,055 (2022); n=1,018 (2021).

Selection processes

Technology is speeding up the recruitment process and improving candidates' experience
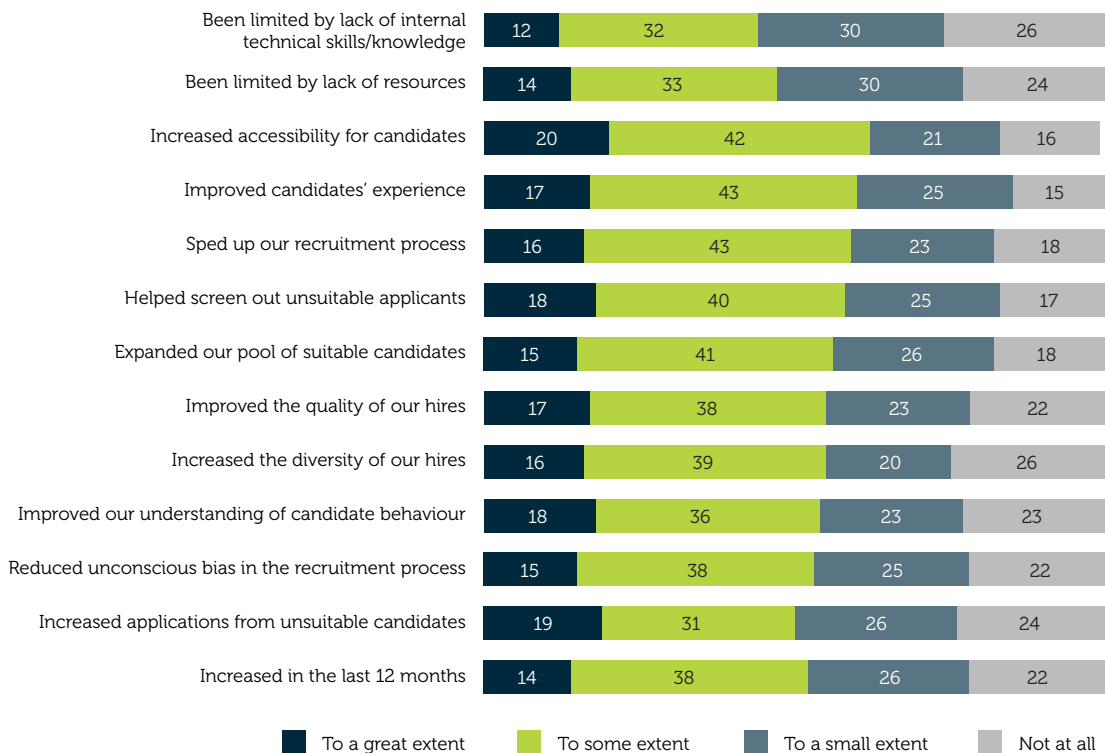
Organisations that use technology in the recruitment process report a number of benefits (Figure 27), the most common being increasing accessibility for candidates. For many, this appears to have increased the number of both suitable and unsuitable candidates. But 58% say technology use has helped screen out unsuitable candidates to some or a great extent.

More organisations this year say technology use has improved candidates' experience, at least to a small extent (2024: 85%; 2022: 78%; 2021: 68%) and sped up the recruitment process (2024: 82%; 2022: 72%; 2021: 64%).

A rising proportion say that technology use has helped reduce unconscious bias, increased the diversity and quality of their hires, and improved their understanding of jobseeker behaviour.

At the same time, many feel their use of technology has been limited by a lack of internal technical skills/knowledge and/or resources. Figures 25 and 26 show relatively limited adoption of available technologies, despite most organisations reporting they have increased their use of technology in the last 12 months (Figure 27). Considered investment may enable organisations to further refine and improve their recruitment processes and outcomes.

Figure 27: To what extent has your organisation's use of technology in the recruitment and onboarding process…? (% of those that use technology)

|	To a great extent	To some extent	To a small extent	Not at all
Been limited by lack of internal technical skills/knowledge	12	32	30	26
Been limited by lack of resources	14	33	30	24
Increased accessibility for candidates	20	42	21	16
Improved candidates' experience	17	43	25	15
Sped up our recruitment process	16	43	23	18
Helped screen out unsuitable applicants	18	40	25	17
Expanded our pool of suitable candidates	15	41	26	18
Improved the quality of our hires	17	38	23	22
Increased the diversity of our hires	16	39	20	26
Improved our understanding of candidate behaviour	18	36	23	23
Reduced unconscious bias in the recruitment process	15	38	25	22
Increased applications from unsuitable candidates	19	31	26	24
Increased in the last 12 months	14	38	26	22

Base: n=695 (unweighted).

AI increases hiring efficiency

Figure 28 shows that 66% of those that use AI in resourcing report it has increased hiring efficiency, although 47% report it has increased costs. Sixty-two per cent report it has increased the availability of useful information for resourcing planning and 59% that it has increased performance in the resourcing function. Contrary to expectations of AI replacing people in organisations, 48% report that using AI has led to an increase in the number of people in their resourcing function and just 14% report it has led to a decrease.

Figure 28: Have any of the following increased or decreased as a result of your organisation using AI? (% of those that use AI in recruitment processes)
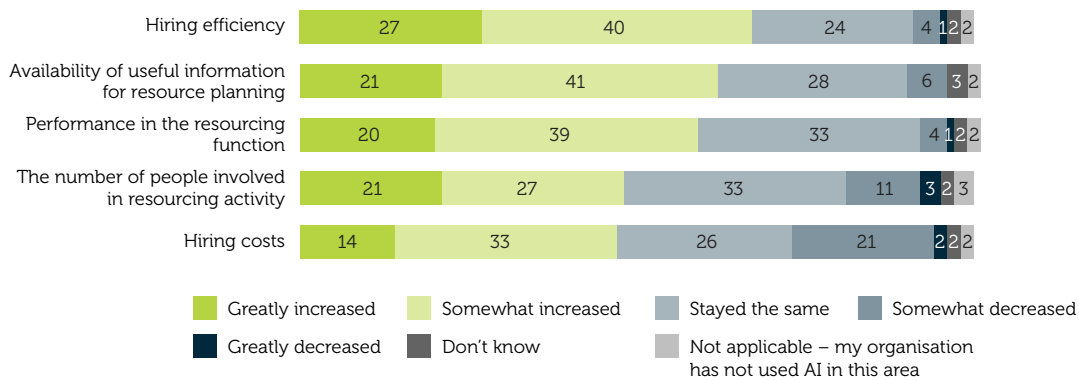
Base: n=281 (unweighted).

A quarter attempting to reduce or monitor jobseeker use of generative AI

While AI has many potential benefits, some are increasingly concerned that jobseekers could use generative AI in applications to make themselves appear to be more suitable candidates. A new question this year found that nearly a quarter of organisations (23%) are attempting to reduce or monitor the use of generative AI by jobseekers (19% don't know).
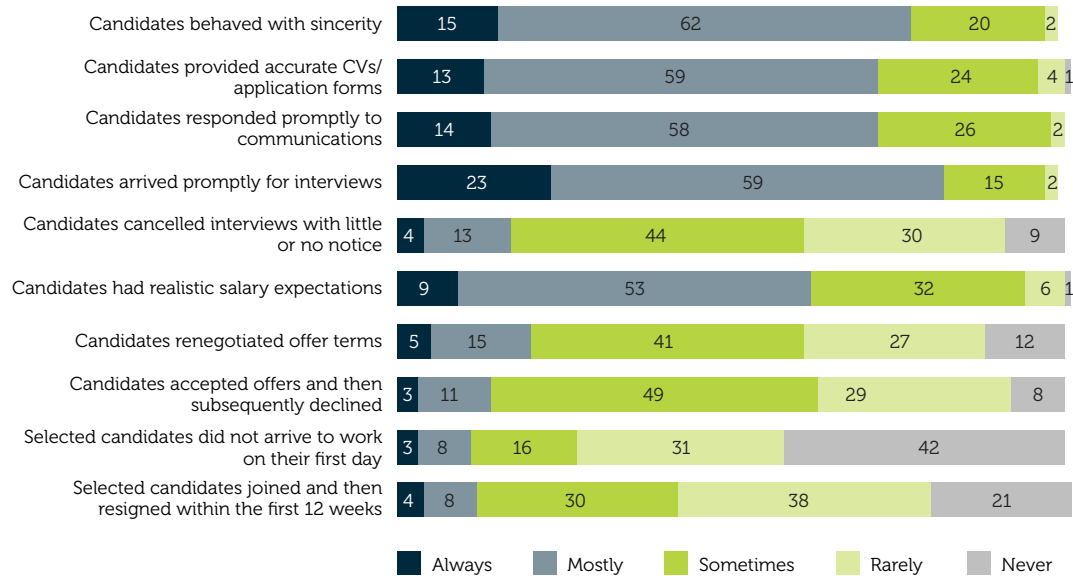
For more information, see the CIPD guide *Preparing your organisation for AI use*.

Room for improvement in communications with candidates and new recruits

Figure 29 suggests that, on the whole, among those that have tried to recruit in the last 12 months, candidates behave with sincerity, respond in a timely manner to communications and arrive promptly for interviews. However, 17% report that candidates commonly cancelled interviews with little or no notice, and 14% found that candidates 'always' or 'mostly' went on to decline offers they had accepted. In addition, many organisations had at least some experience (27%) of offered candidates not arriving to work on their first day, and 41% report that new recruits always, mostly or sometimes resigned within the first 12 weeks. These findings emphasise the importance of ensuring effective end-to-end recruitment and onboarding processes, including robust selection processes to assess commitment to role and organisation.

Similar to last year, 61% of organisations said candidates mostly or always had realistic salary expectations. However, there has been a small increase in the proportion reporting that candidates always or mostly renegotiated offer terms (20%, compared with 15% in 2022). This was most common in the private sector, where just 33% say this was rarely or never the case, compared with 53% of the public sector and 59% of non-profits. Private sector organisations were also more likely to report that candidates accepted offers and then subsequently declined.

Figure 29: Candidates' behaviour over the last 12 months (% of respondents that attempted to recruit)

	Always	Mostly	Sometimes	Rarely	Never
Candidates behaved with sincerity	15	62	20	2	
Candidates provided accurate CVs/application forms	13	59	24	4	1
Candidates responded promptly to communications	14	58	26	2	
Candidates arrived promptly for interviews	23	59	15	2	
Candidates cancelled interviews with little or no notice	4	13	44	30	9
Candidates had realistic salary expectations	9	53	32	6	1
Candidates renegotiated offer terms	5	15	41	27	12
Candidates accepted offers and then subsequently declined	3	11	49	29	8
Selected candidates did not arrive to work on their first day	3	8	16	31	42
Selected candidates joined and then resigned within the first 12 weeks	4	8	30	38	21

Base: n=754–784 ('Don't know' and 'not applicable – no candidates selected' responses excluded) (unweighted).
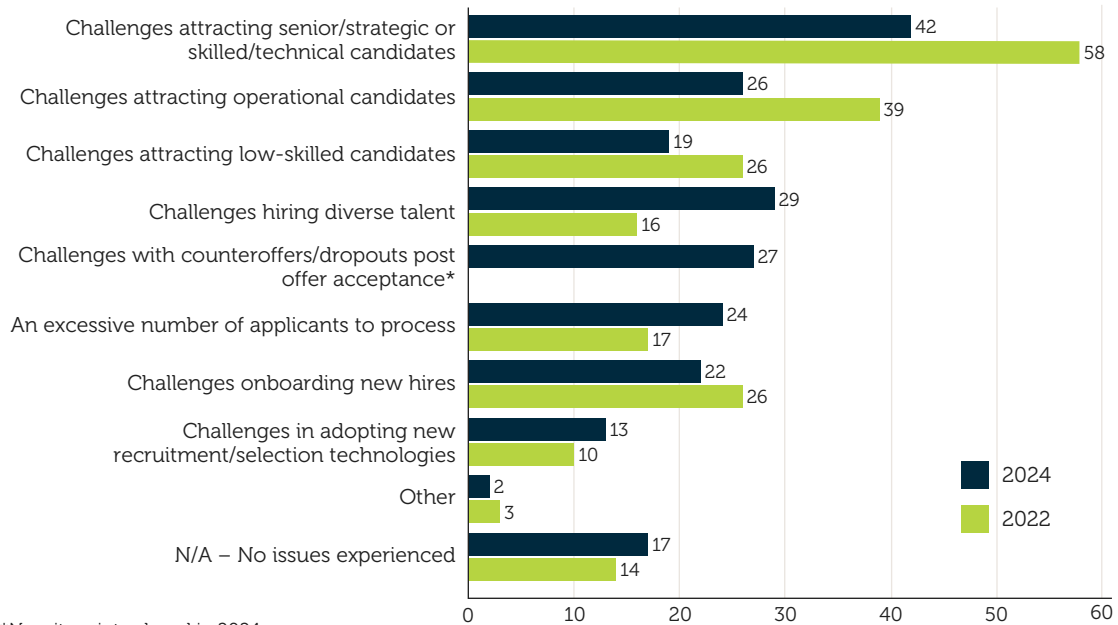
8 Recruitment difficulties

Nearly two-thirds experienced challenges attracting candidates

Of those that attempted to recruit over the last year, 64% experienced difficulties attracting candidates. While this is a fall from our 2022 findings (77%), corresponding with lower levels of vacancies and higher unemployment, it remains considerably higher than in 2021 (49%). Senior and skilled positions remain the most difficult to recruit, particularly in the public sector (52%), although 19% report challenges attracting low-skilled candidates. At the same time, the proportion with an excessive number of applicants to process has also increased.

Over a quarter (27%) reported challenges with counteroffers or dropouts after offer acceptance, and 22% experienced challenges onboarding new hires, echoing our findings above (Figure 29). Creating a positive candidate experience throughout the recruitment process and ensuring an effective induction process to support and integrate new hires is clearly important.

Up from 16% in 2022, 29% reported challenges hiring diverse talent. In some cases, this may reflect an increased focus on diversity. Of those that attempted to fill vacancies, 51% say they recruited a more diverse workforce compared with the previous year (Figure 2), and there have been small improvements in efforts to attract and recruit diverse candidates. Nevertheless, it is clear that many could take a more robust and comprehensive approach (Figures 12 and 13).

Figure 30: Recruitment challenges experienced in the last year (% of those that attempted to recruit)

Challenges attracting senior/strategic or skilled/technical candidates — 2024: 42, 2022: 58
Challenges attracting operational candidates — 2024: 26, 2022: 39
Challenges attracting low-skilled candidates — 2024: 19, 2022: 26
Challenges hiring diverse talent — 2024: 29, 2022: 16
Challenges with counteroffers/dropouts post offer acceptance* — 2024: 27
An excessive number of applicants to process — 2024: 24, 2022: 17
Challenges onboarding new hires — 2024: 22, 2022: 26
Challenges in adopting new recruitment/selection technologies — 2024: 13, 2022: 10
Other — 2024: 2, 2022: 3
N/A – No issues experienced — 2024: 17, 2022: 14

*New item introduced in 2024.
Base: n=815 (2024); n=778 (2022) (unweighted).

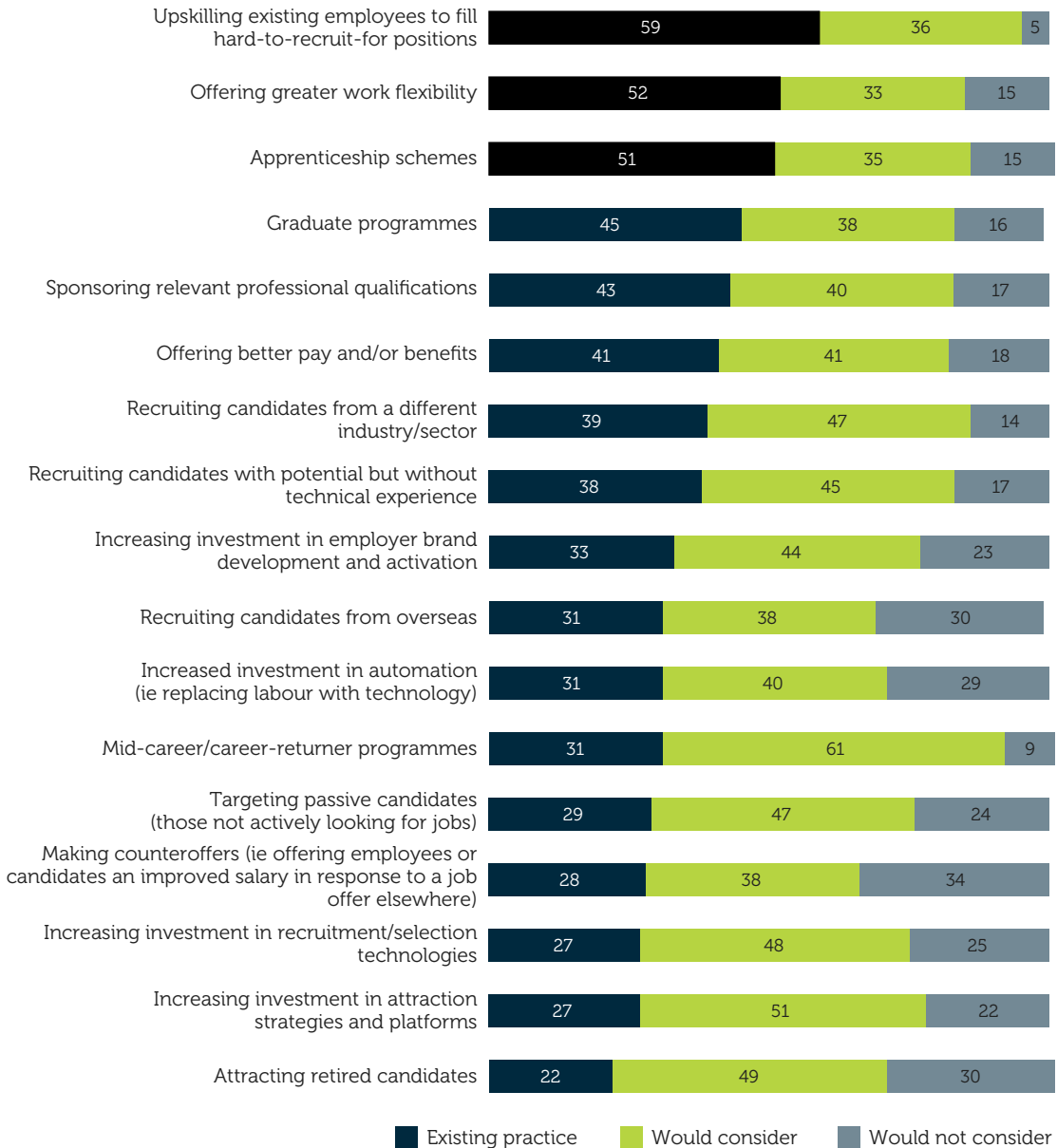## Recruitment challenges addressed through training and flexible working

Many organisations that have attempted to recruit and experienced recruitment difficulties in the last year are attempting to address their recruitment difficulties through training and development (Figure 31). Similar to last year, the most widespread practice was to upskill existing employees to fill hard-to-fill vacancies. Other popular options were:

- apprenticeship schemes (51%)
- graduate programmes (45%)
- sponsoring relevant professional qualifications (43%)
- offering mid-career/career-returner programmes (31%).

Offering greater work flexibility is the second most common approach to addressing recruitment challenges (particularly common in the non-profit sector, as last year). As noted above, this can be beneficial for both attracting and retaining talent, not least through opening opportunities to a broader segment of the labour market.

Offering better pay and/or benefits to address recruitment difficulties was the approach for 41% (from 36% in 2022 and 29% in 2021). This was more common in the private sector (46%) than in the public (27%) or non-profit (29%) sectors. Private sector organisations were also most likely to make counteroffers (33%) compared with public (17%) or non-profit (9%) sector organisations. Inflation and cost-of-living pressures have contributed to wage increases in recent years. With inflation now slowing, pay increases will likely follow suit. Nevertheless, with a substantial proportion of recruiters experiencing challenges attracting candidates and 27% experiencing counteroffers (Figure 30), a competitive pay and benefits package will remain important.

Figure 31: Practices undertaken to reduce recruitment difficulties (% of those that attempted to recruit and experienced difficulties in the last year)

| Practice	Existing practice	Would consider	Would not consider
Upskilling existing employees to fill hard-to-recruit-for positions	59	36	5
Offering greater work flexibility	52	33	15
Apprenticeship schemes	51	35	15
Graduate programmes	45	38	16
Sponsoring relevant professional qualifications	43	40	17
Offering better pay and/or benefits	41	41	18
Recruiting candidates from a different industry/sector	39	47	14
Recruiting candidates with potential but without technical experience	38	45	17
Increasing investment in employer brand development and activation	33	44	23
Recruiting candidates from overseas	31	38	30
Increased investment in automation (ie replacing labour with technology)	31	40	29
Mid-career/career-returner programmes	31	61	9
Targeting passive candidates (those not actively looking for jobs)	29	47	24
Making counteroffers (ie offering employees or candidates an improved salary in response to a job offer elsewhere)	28	38	34
Increasing investment in recruitment/selection technologies	27	48	25
Increasing investment in attraction strategies and platforms	27	51	22
Attracting retired candidates	22	49	30

Base: n=669 (unweighted).

9 Talent management and retention

Nearly half of CEOs prioritise talent management

During the pandemic, talent management fell off the agenda for many CEOs. This year's findings suggest it is returning to pre-pandemic levels of attention. Nearly half (46%) of respondents report their CEO has had talent management as a key priority over the last 12 months (2022: 38%; 2021: 30%; 2020: 48%). It is disappointing, however, that 22% disagree that talent management is a key priority for their CEO

(Figure 32). The economic context of the last year has been challenging for many leaders, but the importance of effective talent management in underpinning recovery and progress should not be underestimated.

Figure 32: Over the last 12 months, our CEO has had talent management as a key priority (%)

Legend:
- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
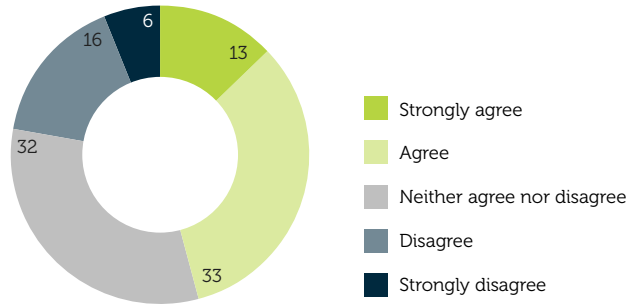
Base: n=1,016.

Most organisations don't calculate the cost of labour turnover

Of those who were aware of turnover data, 31% say their organisation calculates the cost of labour turnover, up from 17% in 2022 (11% don't know, as in 2022). Larger organisations remain more likely to calculate the cost (larger organisations: 43%; SMEs: 18%).

Increase in retention initiatives

An increasing proportion (42%) have taken steps to improve employee retention (2022: 37%; 2021: 29%). Yet 51% of those that report talent has been more difficult to retain over the last year have not taken any steps.

Improving support for employee wellbeing and increasing pay remain the most common focuses of retention initiatives (Figure 33), although the latter was more common in SMEs (54%) than larger organisations (40%).
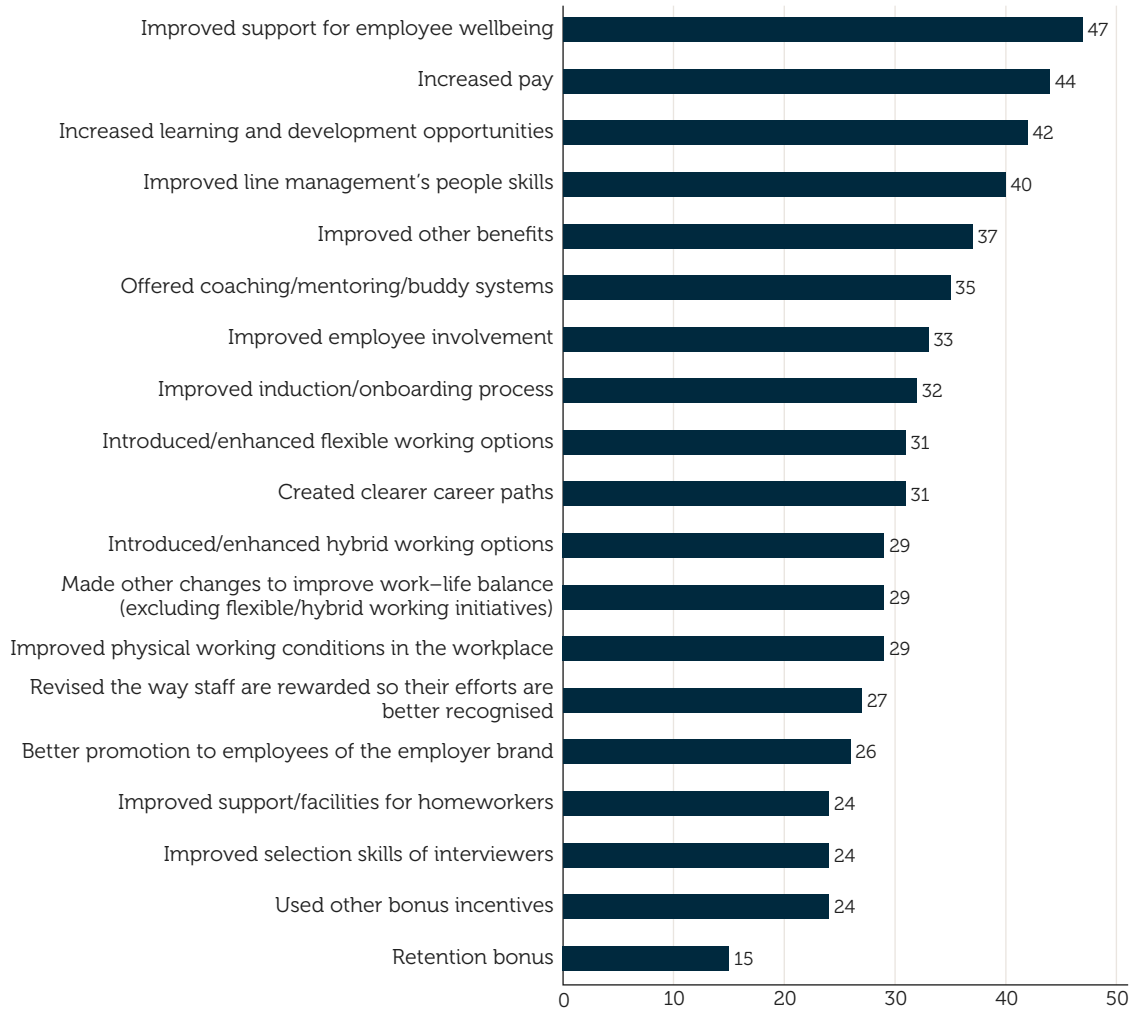
A considerable proportion are also making efforts to improve work–life balance, including through introducing or enhancing flexible or hybrid working options. Recent CIPD research showed that demand for flexible and hybrid working options has increased since the pandemic and that an increasing proportion of employees have left their jobs or changed career due to a lack of flexible working options. Organisations that find ways to effectively address this demand are likely to experience a range of benefits that go beyond retaining and attracting talent.

In line with our findings above on responses to recruitment challenges, more organisations this year report they are taking steps to address retention through increasing learning and development opportunities (2024: 42%; 2022: 35%), creating clearer career paths (2024: 31%; 2022: 24%) and better promotion of the employer brand (2024: 26%; 2022: 16%). Investing in employees, providing clear opportunities for growth and promotion, and facilitating alignment with the company's mission and vision helps foster greater loyalty and engagement, as well as making employees more proficient in their roles.

There has also been an increase in the proportion of organisations improving the selection skills of interviewers and the induction/onboarding process. To help with retention, 35% are offering coaching/mentoring/buddy systems and 40% have

improved line managers' people skills. Having the right people in place, aiding their integration into the organisation and providing them with the support they need demonstrates a commitment to employees' success and wellbeing.

Figure 33: Steps taken to improve employee retention in the last 12 months (% of respondents whose organisations have undertaken specific initiatives)

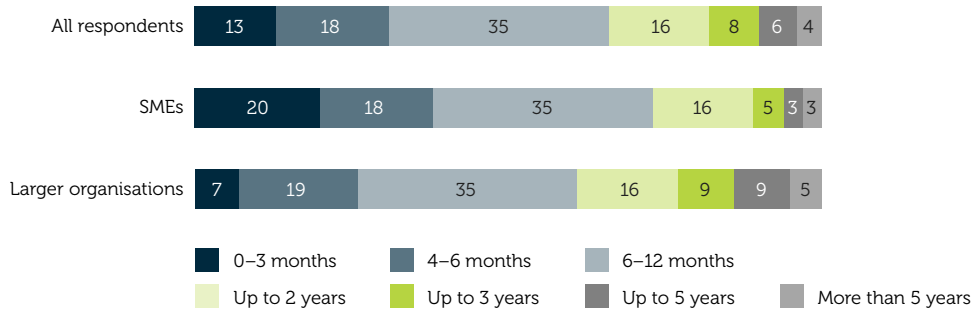| Step	%
Improved support for employee wellbeing	47
Increased pay	44
Increased learning and development opportunities	42
Improved line management's people skills	40
Improved other benefits	37
Offered coaching/mentoring/buddy systems	35
Improved employee involvement	33
Improved induction/onboarding process	32
Introduced/enhanced flexible working options	31
Created clearer career paths	31
Introduced/enhanced hybrid working options	29
Made other changes to improve work–life balance (excluding flexible/hybrid working initiatives)	29
Improved physical working conditions in the workplace	29
Revised the way staff are rewarded so their efforts are better recognised	27
Better promotion to employees of the employer brand	26
Improved support/facilities for homeworkers	24
Improved selection skills of interviewers	24
Used other bonus incentives	24
Retention bonus	15

Base: n=389 (unweighted).

10 Workforce planning and data-driven decision-making

Considerable variation in workforce planning timeframes

There remains considerable variation in how far ahead organisations look when planning and taking action on current and future workforce requirements (Figure 34). Similar to our last survey, 31% of organisations take a short-term approach (up to six months), while 18% are planning over two years into the future. Larger organisations are more likely to have a longer-term outlook than SMEs.

Figure 34: How far ahead does your organisation look when planning and taking action on current and future workforce requirements? (%)
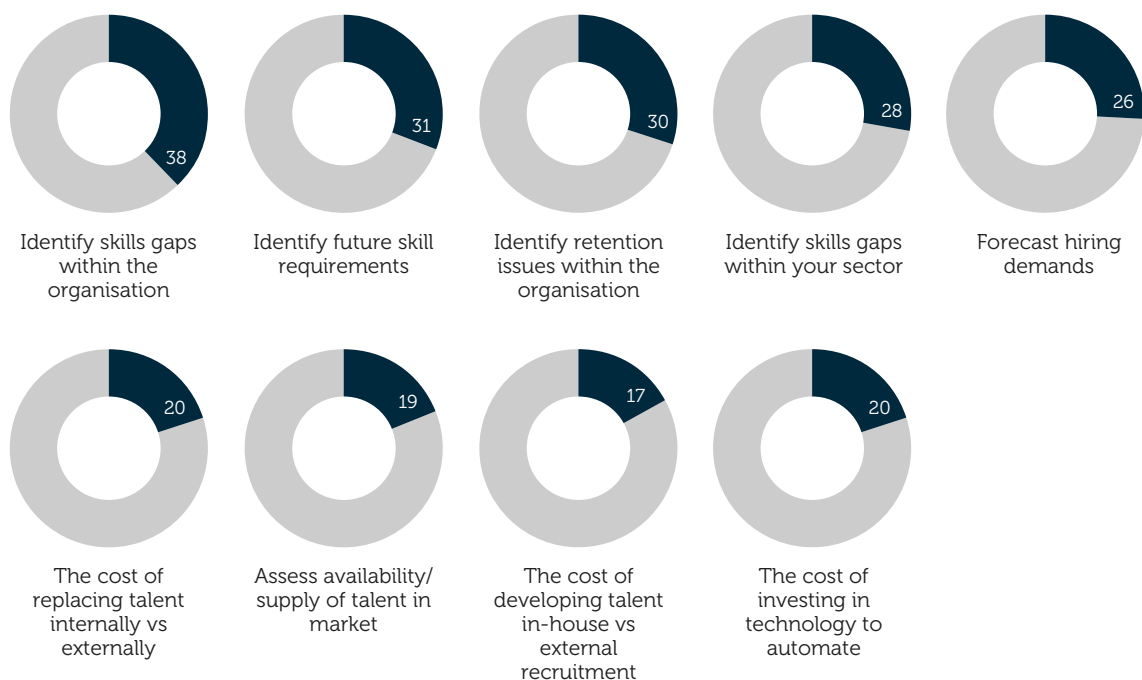
All respondents	13	18	35	16	8	6	4
SMEs	20	18	35	16	5	3	3
Larger organisations	7	19	35	16	9	9	5

- 0–3 months
- 4–6 months
- 6–12 months
- Up to 2 years
- Up to 3 years
- Up to 5 years
- More than 5 years

Base: n=1,016.

Small increase in data collection for workforce planning

Effective planning requires good-quality information and data. Positive findings this year show a small increase in the proportion of organisations collecting data in all of the areas shown in Figure 35, although it is clear that many could take a more evidence-based approach. Just 38% collect data to identify skills gaps within the organisation and less than a third attempt to identify future skill requirements or retention issues. Around one in five assess the availability/supply of talent in the market, the cost of replacing talent internally versus externally, or the cost of investing in technology to automate.

A substantial minority (2024: 35%; 2022: 46%) are not collecting data on any of these topics. Larger organisations are more likely than smaller ones to collect data in all the areas listed, although 20% of organisations with more than 1,000 employees do not collect any data.

Figure 35: Does your organisation collect data in any of the following areas to inform decisions? (%)


38	31	30	28	26
Identify skills gaps within the organisation	Identify future skill requirements	Identify retention issues within the organisation	Identify skills gaps within your sector	Forecast hiring demands

20	19	17	20
The cost of replacing talent internally vs externally	Assess availability/ supply of talent in market	The cost of developing talent in-house vs external recruitment	The cost of investing in technology to automate

Base: n=1,016.

Small increase in collecting data to inform resourcing decisions

Figure 36 suggests that many organisations could take a more evidence-based approach to resourcing. Nevertheless, comparison with previous years suggests some improvement: 31% report they don't collect data in any of the areas listed, down from 37% in 2022. More organisations are collecting data on the performance of new hires (2024: 31%; 2022: 24%), the effectiveness of retention initiatives (2024: 20%; 2022: 12%) and the predictive validity of assessment methods (2024: 12%; 2022: 7%). Nevertheless, most organisations do not take any of these measures. Larger organisations are most likely to collect some form of data, although 16% of organisations with 1,000+ employees do not collect data in any of the areas in Figure 36.

As we've found in previous years, public sector and non-profits are considerably more likely than private sector organisations to monitor diversity to inform recruitment processes (public sector: 43%; non-profits: 41%; private sector: 27%). Private sector and non-profit organisations are more likely to compare their pay/benefit offering with competitors (private sector: 31%; non-profits: 38%; public sector: 21%).

Figure 36: Does your organisation collect data in any of the following areas to inform resourcing decisions (%)
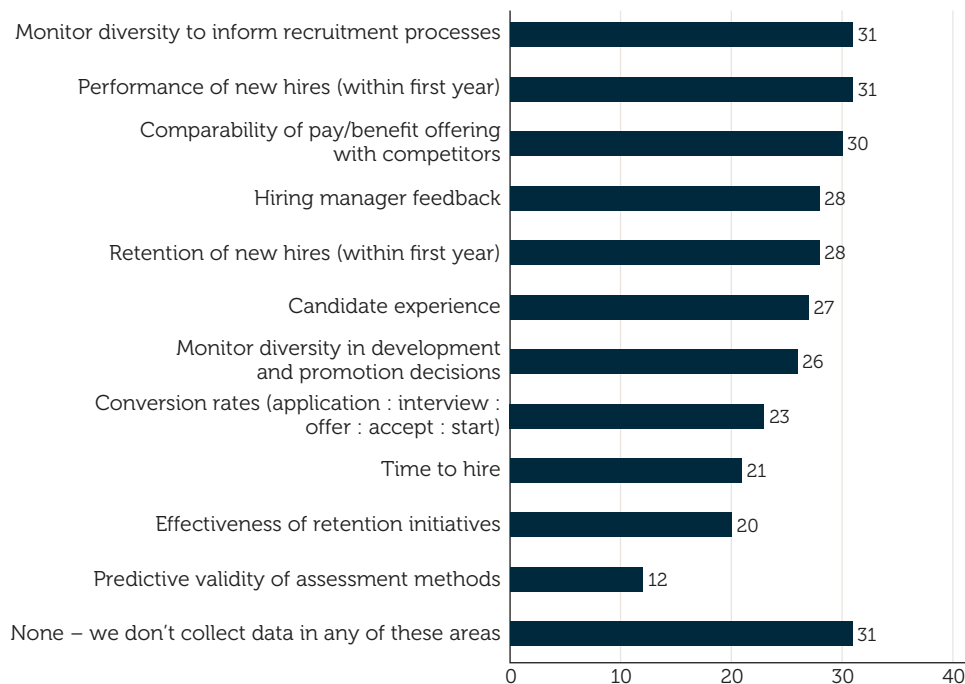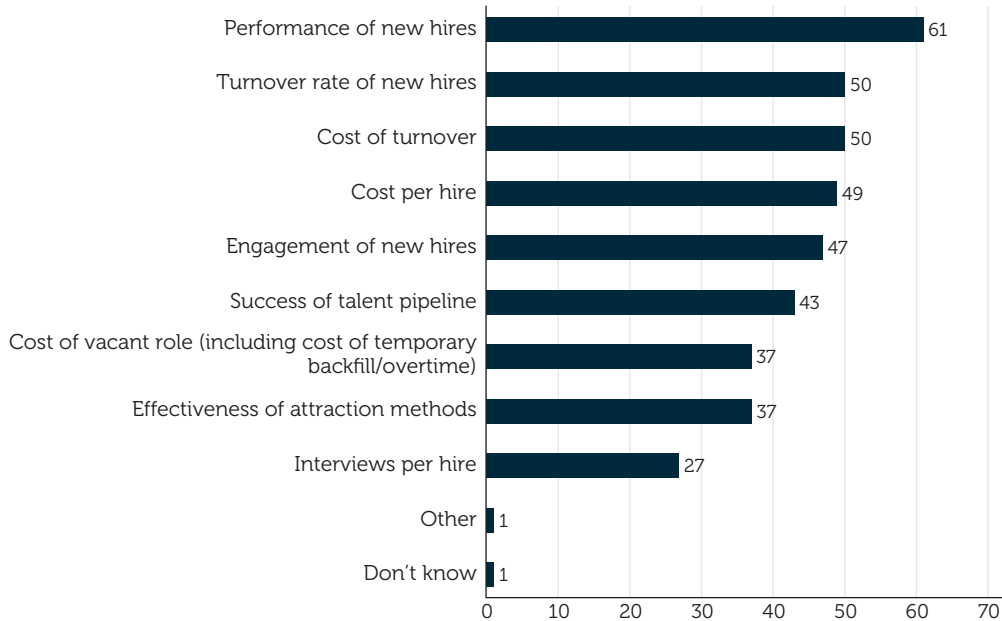

Base: n=1,016.

Increase in organisations measuring return on investment of recruitment processes

Almost a quarter (24%) say they measure the return on investment (ROI) of their recruitment processes, up from 13% in 2022. A further 12% plan to introduce measures to do this (18% don't know if they measure ROI or not). Nevertheless, measuring ROI remains uncommon in the public (7%) and non-profit sectors (7%) as well as in smaller private sector organisations.

The most common methods used to measure ROI are the performance of new hires and the turnover rate of new hires (Figure 37). Increasing proportions of respondents also report they are measuring the engagement of new hires (2024: 47%; 2022: 30%; 2021: 22%). In contrast, fewer this year report they are measuring ROI through cost per hire (2024: 49%; 2022: 64%; 2021: 62%).

Figure 37: Methods used to measure ROI of recruitment processes (% of respondents that measure ROI)

Method	%
Performance of new hires	61
Turnover rate of new hires	50
Cost of turnover	50
Cost per hire	49
Engagement of new hires	47
Success of talent pipeline	43
Cost of vacant role (including cost of temporary backfill/overtime)	37
Effectiveness of attraction methods	37
Interviews per hire	27
Other	1
Don't know	1

Base: n=211 (unweighted).

11 Background to the survey

This survey was conducted online from 4–22 April 2024 by YouGov UK plc. In total, 1,016 UK-based HR/people professionals responded to the survey.

The CIPD *Resourcing and talent planning survey* (formerly known as the CIPD *Recruitment and retention survey*) has been exploring UK organisations' resourcing and talent planning practices and challenges since 1997. The last survey, prior to this one, was conducted in April 2022.

The survey attempts to provide useful benchmarking data while also capturing trends and developments in resourcing practices and strategy. This year we include new questions on the impact of UK changes to migration rules for family and work visas on resourcing and explore in greater detail the use and impact of AI in the resourcing process, and flexible and hybrid working offerings.

Sample profile

An email link to the online survey was sent to a sample of people from the YouGov Plc UK panel of 2.5 million+ individuals who have agreed to take part in surveys. Pre-selection criteria ensured the sample contacted were in senior HR/management roles with responsibility for resourcing and talent decision-making and represented employers across the UK in terms of region, organisation size, sector and industry.

1,016 UK-based HR/people professionals responded to the survey. The sample has been weighted to be representative of UK employers by proportion of employment within organisation size and sector using official labour market statistics (Table 2). In places the report includes additional analyses conducted by the CIPD for comparison with previous years' findings.

Table 2: Profile of respondents

Size of organisation (number of permanent staff)	Unweighted base	Unweighted base %	Weighted base	Weighted base %
Fewer than 10 (excluding sole traders)	183	18	140	14
10–49	204	20	155	15
50–249	189	19	132	13
250–999	149	15	202	20
1,000–4,999	139	14	187	18
5,000 or more	152	15	200	20
Total	*1,016*	*100*	*1,016*	*100*
Sector				
Private	763	75	762	75
Public	184	18	183	18
Non-profit	69	7	71	7
Total	*1,016*	*100*	*1,016*	*100*
Industry				
Primary industries	35	3	33	3
Manufacturing and construction	178	18	187	18
Wholesale and retail	68	7	64	6
Information and communications	129	13	132	13
Hospitality and leisure	45	4	42	4
Finance and insurance	59	6	65	6
Business services	102	10	96	9
Professional services	27	3	27	3
Public administration	52	5	61	6
Education and health	207	20	200	20
Third sector	32	3	30	3
Other	69	7	63	6
Unknown	13	1	15	1
Total	*1,016*	*100*	*1,016*	*100*
Region				
North England	192	19	189	19
Midlands	135	13	134	13
East England	100	10	100	10
London	227	22	245	24
South England	249	25	235	23
Wales	41	4	41	4
Scotland	51	5	52	5
Northern Ireland	21	2	21	2
Total	*1,016*	*100*	*1,016*	*100*

Note on abbreviations, statistics and figures used

Voluntary, community and not-for-profit organisations are referred to throughout the report as 'non-profits'.

'SMEs' (small and medium-sized enterprises) refers to organisations with up to 249 permanent employees (excluding sole traders, who did not take part in the survey due to relevance). 'Larger organisations' refers to organisations with 250 or more permanent employees unless otherwise stated.

The median is used instead of the statistical mean in cases where the distribution is significantly skewed or there are extreme outliers.

Except for labour turnover rates, all figures in tables and figures have been rounded to the nearest percentage point. Because of rounding, percentages shown may not always total 100.

CIPD