

SHRM CUSTOMIZED TALENT ACQUISITION BENCHMARKING REPORT

**THANK YOU FOR ORDERING A SHRM CUSTOMIZED
TALENT ACQUISITION
BENCHMARKING REPORT**

Your report is based on the following criteria:

SELECTION CRITERIA

Industry: Utilities

Staff Size: All Sizes

SHRM Customized Human Capital,
Health Care, Employee Benefits
Prevalence, and Paid Leave Reports are
also available. Please visit our web site at
www.shrm.org/benchmarks.

LICENSE AGREEMENT FOR THE SHRM CUSTOMIZED BENCHMARKING REPORT

By opening and using this SHRM Customized Benchmarking Report (the “Report”), you (“User”) hereby agree as follows:

(i) That the Society for Human Resource Management is the exclusive copyright owner of the Report.

(ii) Provided that the required fee for use of the Report by User has been paid to SHRM, User has the right, by this License, to use the Report solely for the internal purposes of their employer (“Company”) or for the internal purposes of a single client of Company (“Single Client”), and to make or distribute copies of the Report to other employees within the Company or to employees within the Single Client, provided that such other Company employees or Single Client employees may only use the Report for the internal purposes of the Company or Single Client. Except as allowed above with respect to use by employees of Company for the internal purposes of Company or employees of Single Client for the internal purposes of Single Client, neither User, Company nor Single Client has any right to print, make or distribute any copies, in any media, of the Report.

(iii) Neither User, Company nor Single Client has any right to sell or sublicense, loan or otherwise convey or distribute the Report or any copies thereof in any media to any third parties outside of the Company or Single Client.

© 2018 Society for Human Resource Management. All rights reserved.

The Society for Human Resource Management (SHRM) is the world’s largest HR professional society, representing 285,000 members in more than 165 countries. For nearly seven decades, the Society has been the leading provider of resources serving the needs of HR professionals and advancing the practice of human resource management. SHRM has more than 575 affiliated chapters within the United States and subsidiary offices in China, India and United Arab Emirates. Visit us at shrm.org.

This publication may not be reproduced, stored in a retrieval system or transmitted in whole or in part, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of the Society for Human Resource Management, 1800 Duke Street, Alexandria, VA 22314, USA.

Disclaimer

This report is published by the Society for Human Resource Management (SHRM). SHRM cannot accept responsibility for any errors or omissions or any liability resulting from the use or misuse of any such information.

TABLE OF CONTENTS

License Agreement for the SHRM Customized Benchmarking Report	1
A Guide to Your SHRM Customized Benchmarking Report	3
Customized Tables Based on Your Criteria	
Recruitment	5
Selection	10
Quality of Hire	16
A Glossary of Terms	18

A GUIDE TO YOUR SHRM CUSTOMIZED BENCHMARKING REPORT

Understanding the Data

As you compare your own data against other organizations, please keep the following in mind:

1. This report is based on data derived from the SHRM Customized Benchmarking Database, which contains organizational data from a random sample of SHRM members. The report is designed to target companies that closely match the selected criteria to allow for a more focused and comparable analysis and interpretation. Therefore, any interpretations of these data should be kept within this context.
2. A deviation between your figure for any benchmarking measure and the comparative figure is not necessarily favorable or unfavorable; it is merely an indication that additional analyses may be needed. Benchmarking measures that relate more closely to the context of your organization's industry and staff size are more descriptive and meaningful than information that is more generic in nature, such as all industries combined. The larger the discrepancy

between your figure and those found in this report, the greater the need for additional scrutiny.

3. In cases where you determine that potentially serious deviations do exist, it may be helpful to go back and calculate the same benchmarking measure for your organization over the past several years to identify any trends that may exist.
4. The information in this report should be used as a tool for decision-making rather than an absolute standard. Because companies differ in their overall business strategy, location, staff size and other factors, any two companies can be well managed, yet some of their benchmarking measures may differ greatly. No decision should be made solely based on the results of any one study.

Working with the Data

The information in this report is designed to be a tool to help you evaluate decisions and activities that affect your organization. When reviewing these data, it is important

to realize that business strategy, organizational culture, leadership behaviors and industry pressures are just a few of the many factors that drive various organizational measures. Absolute measures are not meaningful in isolation—they should be compared with one or more measures to determine whether a satisfactory level exists. Other measures, for example, might be your organization's past results in this area or comparatives based on organization staff size, industry or geographic location.

Each table in the report contains customized benchmarks in aggregated form. There may be discrepancies between your organization's benchmarks and the average or median numbers for a particular category. It is particularly helpful to communicate to stakeholders that just because your organization has benchmarks that are different from the average or median, it does not mean they are favorable or unfavorable. Rather, it may be the result of a particular total organizational strategy, special

circumstances or other business initiatives that cause differences with your organization's benchmarks.

Notes

The data in this report were collected from May to July 2017 and reflect fiscal year 2016.

The number of respondents, indicated by "n," is composed of the organizations that responded to the specific benchmark. Therefore, the number of peer organizations may vary from benchmark to benchmark. The percentile is the percentage of responses in a group that have values less than or equal to that particular value. The median is the 50th percentile. The average, or mean, is the sum of the responses divided by the total number of responses.

Some benchmarks are less frequently collected by organizations or may be more difficult to obtain. Some data are not displayed when there are fewer than five organizations for a specific metric.

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

RECRUITMENT

	Tools Used to Source Candidates
n	55
Company website	91%
Employee referrals	84%
Free job boards	80%
Informal networking	51%
Job fairs (onsite)	47%
Job fairs (virtual)	9%
Networking events	31%
On-campus college recruiting	47%
Online college recruiting	27%
Paid job boards	73%
Print advertisement	40%
Radio advertising	13%
Social media websites	75%
Staffing agencies: direct hires	45%
Staffing agencies: temp to hire	45%
Trade publications	22%
TV advertising	5%
Other	0%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

RECRUITMENT

	Tools Used to Source Executive Candidates
n	54
Executive search firms (headhunters)	61%
In-house executive recruiter	28%
Industry associations	20%
Internal applicants/current employees	39%
Professional contacts/networking	52%
Recruiting websites	44%
Social media	28%
Other	6%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

RECRUITMENT

Position Responsible for Recruiting Applicants for Nonexecutive Job Openings	
n	53
Hiring manager	6%
HR Generalist	55%
In-house recruiter	30%
Third-party recruiter/staffing agency	0%
Other	9%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

RECRUITMENT

	Position Responsible for Recruiting Applicants for Executive Job Openings
n	54
Hiring manager	17%
HR Generalist	31%
In-house recruiter	24%
Third-party recruiter/staffing agency	15%
Other	13%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

RECRUITMENT

	n	25th Percentile	Median	75th Percentile	Average
Cost-per-hire	17	\$500	\$3,400	\$7,518	\$6,821
Executive cost-per-hire	9	\$1,300	\$10,000	\$14,000	\$17,373
Recruitment expenses-to-HR- expenses ratio	5	8%	12%	16%	11%
Requisitions per recruiter (or HR FTE)	27	10	20	54	40
Requisitions per recruiter (organizations with dedicated recruiters)	18	20	30	61	52
Requisitions per recruiter (organizations without dedicated recruiters)	9	8	10	12	17

* Metrics with a sample size (“n”) of less than 5 are not displayed.

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

SELECTION

Selection Techniques Used to Assess Executive Level Candidates	
n	44
Audition/work sample interview	23%
Behavioral or personality assessment	39%
Behavioral interview	52%
Cognitive skills assessment	27%
Competency-based interview	50%
Group interview	57%
In-person screening	45%
Knowledge test	9%
One-on-one interview	48%
Panel interview	50%
Phone screening	55%
References	75%
Skype/video conference interview	34%
Stress interview	5%
Structured interview	36%
Technical skills assessment	11%
Unstructured interview	14%
Other	0%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

SELECTION

Selection Techniques Used to Assess Middle Management Candidates	
n	46
Audition/work sample interview	20%
Behavioral or personality assessment	33%
Behavioral interview	59%
Cognitive skills assessment	28%
Competency-based interview	52%
Group interview	52%
In-person screening	48%
Knowledge test	17%
One-on-one interview	46%
Panel interview	59%
Phone screening	65%
References	72%
Skype/video conference interview	39%
Stress interview	7%
Structured interview	43%
Technical skills assessment	20%
Unstructured interview	11%
Other	2%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

SELECTION

	Selection Techniques Used to Assess Nonmanagement/Individual Contributor Candidates
n	47
Audition/work sample interview	26%
Behavioral or personality assessment	32%
Behavioral interview	60%
Cognitive skills assessment	38%
Competency-based interview	49%
Group interview	38%
In-person screening	47%
Knowledge test	38%
One-on-one interview	47%
Panel interview	55%
Phone screening	74%
References	72%
Skype/video conference interview	32%
Stress interview	11%
Structured interview	40%
Technical skills assessment	43%
Unstructured interview	9%
Other	2%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

SELECTION

	Selection Techniques Used to Assess Nonexempt (Hourly) Nonmanagement Candidates
n	47
Audition/work sample interview	15%
Behavioral or personality assessment	26%
Behavioral interview	57%
Cognitive skills assessment	28%
Competency-based interview	45%
Group interview	34%
In-person screening	47%
Knowledge test	36%
One-on-one interview	38%
Panel interview	49%
Phone screening	74%
References	70%
Skype/video conference interview	23%
Stress interview	6%
Structured interview	34%
Technical skills assessment	49%
Unstructured interview	11%
Other	2%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

SELECTION

	n	Yes	No
Use of automated prescreening to review job applicant's resume	52	21%	79%

	n	25th Percentile	Median	75th Percentile	Average
Acceptance rate	29	90%	97%	100%	94%
Positions externally filled	25	55%	80%	93%	70%
Positions internally filled	25	7%	20%	45%	30%

* Metrics with a sample size ("n") of less than 5 are not displayed.

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

SELECTION

	n	25th Percentile	Median	75th Percentile	Average
Time-to-fill	32	25 days	45 days	75 days	48 days
Open to approval	14	1 day	2 days	5 days	5 days
Approval to job posting	14	1 day	2 days	5 days	4 days
Job posting to start screening	15	5 days	10 days	15 days	11 days
Screen applicants	15	2 days	5 days	8 days	7 days
Conduct interviews	15	2 days	5 days	8 days	6 days
Make final decision	15	1 day	3 days	5 days	3 days
Offer to acceptance	15	1 day	2 days	5 days	4 days

* Metrics with a sample size (“n”) of less than 5 are not displayed.

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

QUALITY OF HIRE

Quality of Hire Measures Used by Organizations	
n	10
360-degree feedback scores	30%
Average bonus	10%
Customer service score	10%
Error rates in performance	10%
Inclusion in succession plan	0%
Interview to performance relationship	10%
Number of awards	0%
Performance appraisal score	30%
Profit contribution	10%
Promotion frequency	0%
Promotion rate	0%
Rate of salary increase	0%
Retention rate	40%
Talent scorecard	0%
Other	10%

SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

QUALITY OF HIRE

	n	Yes	No
Percentage of organizations measuring quality of hire	40	28%	73%

	n	25th Percentile	Median	75th Percentile	Average
Separations within first three months of employment	22	0%	0%	10%	10%
Separations within first six months of employment	21	0%	0%	7%	6%
Separations within first year of employment	21	0%	5%	20%	13%

* Metrics with a sample size ("n") of less than 5 are not displayed.

TALENT ACQUISITION GLOSSARY OF METRIC TERMS, DEFINITIONS AND CALCULATIONS

Statistical Definitions

“n”

The letter “n” in tables and figures indicates the number of respondents to each question. In other words, when it is noted that n = 25, it indicates that the number of respondents was 25.

Percentile

The percentile is the percentage of responses in a group that have values less than or equal to that particular value. For example, when data are arranged from lowest to highest, the 25th percentile is the point at which 75% of the data are above it and 25% are below it. Conversely, the 75th percentile is the point at which 25% of the data are above it and 75% are below it.

Median (50th percentile)

The median is the midpoint of the set of numbers or values arranged in ascending order. It is recommended that the median is used as a basis for all interpretations of the data when the average and median are discrepant.

Average

The average is the sum of the responses divided by the total number of responses. It is also known as the mean. This measure is affected more than the median by the occurrence of outliers (extreme values). For this reason, the average reported may be greater than the 75th percentile or less than the 25th percentile.

Job Positions

FTE

FTE is an abbreviation for full-time equivalent. Full-time equivalents represent the total labor hours invested. To convert part-time staff into FTEs, divide the total number of hours worked by part-time employees during the work year by the total number of hours in the work year (e.g., if the average work week is 37.5 hours, total number of hours in a work year would be 37.5 hours per week x 52 weeks = 1,950). Converting the number of employees to FTEs provides a more accurate understanding of the level of effort being applied in an organization. For example, if

two employees are job-sharing, the FTE number is only one.

HR FTEs

HR FTEs is the number of full-time HR equivalents that support the HR function for an organizational level. The primary responsibilities of these staff are directly HR-related, such as, but not limited to, administrative support directly related to HR, benefits, compensation, diversity, generalist, HRIS and recruiting. Excluded staff are those whose primary responsibilities are not directly HR-related, such as, but not limited to, facilities, health and safety, organizational development, payroll, phones, training, and travel services.

Executive

Executive-level job positions are at the highest level of the organization and are responsible for managing at the organizational level by providing the overall direction of the organization and establishing policies and strategies. Examples of executive-level management job positions include CEO, CHRO, COO and CFO.

Middle Management

Middle-management positions report to the executive level and have employees who report directly to them. Middle-management employees are responsible for overseeing products or services at the regional or divisional level. They are also responsible for implementing company strategy and policies. Examples of middle-management job positions include director, people manager and supervisor.

Nonmanagement/Individual Contributors

Nonmanagement/individual contributors are salaried employees who do not have direct reports and who report to management. They are responsible for the tasks within their role and are exempt from the Fair Labor Standard Act (FLSA) rules and regulations. Examples of nonmanagement/individual contributor job positions include analyst, nurse and engineer.

Nonexempt (Hourly) Nonmanagement

Nonexempt (hourly) nonmanagement employees do not have direct reports and report to management. Nonexempt employees are covered by the FLSA rules and regulations. Examples of nonexempt (hourly) nonmanagement job positions include assistant, coordinator and specialist.

HR Generalists

The HR generalist supports management on a broad range of HR-related duties and may recruit on behalf of the organization as one part of the generalist's job responsibility.

In-House Recruiters

The in-house recruiter's primary responsibility in the organization's HR department is to source new candidates to fill open positions.

Third-Party Recruiter/Staffing Agency

The third-party recruiter/staffing agency is a recruiter or staffing agency that recruits on behalf of the organization's clients.

Hiring Manager

The hiring manager is the person who requests a job position to be filled and to whom the newly hired employee will directly report.

Recruitment

Tools Used to Source Candidates

To manage a higher requisition load, recruiters may prefer to use sources that yield a higher percentage of quality candidates in the hope of lessening the amount of time spent on the pre-screening process. Sourcing tools include:

- Company website
- Employee referrals
- Free job boards
- Informal networking
- Job fairs (onsite)
- Job fairs (virtual)
- Networking events
- On-campus college recruiting
- Online college recruiting
- Paid job boards
- Print advertisement
- Radio advertising
- Social media websites
- Staffing agencies: direct hires
- Staffing agencies: temp to hire
- Trade publications
- TV advertising

Tools Used to Source Executive Candidates

- Executive search firms (headhunters)
- In-house executive recruiter
- Industry associations

- Internal applicants/current employees
- Professional contacts/networking
- Recruiting websites
- Social media

Position Responsible for Recruiting Applicants for Nonexecutive Job Openings

The job position that is primarily responsible for recruiting applicants for nonexecutive job openings.

Position Responsible for Recruiting Applicants for Executive Job Openings

The job position that is primarily responsible for recruiting applicants for executive-level job openings.

Cost-Per-Hire

Cost-per-hire represents the costs involved with a new hire. These costs include the sum of third-party agency fees, advertising agency fees, job fairs, online job board fees, employee referrals, travel cost of applicants and staff, relocation costs, recruiter pay and benefits, and talent acquisition system costs, divided by the number of hires.

Executive Cost-Per-Hire

Executive cost-per-hire represents the costs involved with a new executive hire. These costs include the sum of third-party agency fees, advertising agency fees, job fairs, online job board fees, employee referrals, travel cost of applicants and staff, relocation costs, recruiter pay and benefits, and talent acquisition system costs, divided by the number of executive hires.

Recruitment-Expenses-to-HR-Expenses Ratio

This is the ratio of an organization's total expenses dedicated to recruitment to the organization's HR expenses. The recruitment expenses includes pay and benefits for the recruiting team, third-party agency fees, background checks, advertising costs, job fair costs, online job board costs, employee referral costs, travel costs of applicants and staff, relocation costs, and technology infrastructure (talent acquisition systems).

Requisitions per Recruiter (or HR FTE)

The requisition per recruiter (or HR FTEs) is the average number of requisitions a recruiter is responsible for in a year.

Requisitions per Recruiter (Organizations with Dedicated Recruiters)

The requisition per recruiter is the average number of requisitions a recruiter is responsible for in a year in organizations with at least one dedicated recruiter.

Requisitions per Recruiter (Organizations without Dedicated Recruiters)

The requisition per recruiter is the average number of requisitions a recruiter is responsible for in a year in organizations without any dedicated recruiters.

Selection

Selection Techniques Used to Assess Candidates

Audition/work sample interview— applicants are required to provide an example of previous work or perform a specific task that is related to the target job.

Behavioral or personality assessment—a standardized instrument, such as a personality test or a questionnaire (e.g., Predictive Index, MBTI), is used to reveal aspects of an individual's character. Some organizations choose to use this technique to test for person-organization fit or culture fit.

Behavioral interview—a job interview technique where the applicant is asked to describe examples of past behavior in work situations. The candidate's past job performance is used as an indicator of the applicant's performance in the position for which he or she is being considered.

Cognitive skills assessment—an assessment used to measure a variety of cognitive abilities (e.g. verbal, mathematical, reasoning, etc.).

Competency-based interview—candidates are asked questions that are linked to specific competencies needed in the role and/or organization. The questions are designed to have the interviewee give an example of tasks he or she has performed in the past and the outcome from that task.

Group interview—an interview process where multiple interviewees are interviewed at the same time.

In-person screening—a screening is a selection technique to determine if the applicant has the qualifications needed to do the job for which the company is hiring. An in-person screening is typically conducted face-to-face before a job interview.

Knowledge test—a standardized test to determine a person’s knowledge of a subject or field.

One-on-one interview—a common type of interview where an applicant is interviewed individually by one interviewer.

Panel interview—an interviewing strategy where the applicant is interviewed by multiple people at once.

Phone screening—a screening is a selection technique to determine if the applicant has the qualifications needed to do the job for which the company is hiring. A phone screening is typically conducted before a job interview.

References—a written or verbal recommendation typically given by a candidate’s former or current supervisor, employer, colleague or professor.

Skype/video conference interview—an interview that takes place through an online video platform such a Skype or Google+.

Stress interview—an interviewing technique where the applicants are deliberately placed in a stressful situation and evaluated based on how they react to the stress (e.g., an intimidating interviewer, having to complete multiple tasks, aggressive interviewer attitudes, puzzles). This technique is frequently used for positions in which the incumbent would frequently face stress on the job.

Structured interview—an interview in which candidates are asked the same predetermined questions in the same order. All responses given by the candidates are evaluated using the same rating scale.

Technical skills assessment—an assessment used to measure a skill specific to that field or profession.

Unstructured interview—an interview in which there is no a specific set of predetermined questions, although the interviewers may have certain topics in mind that they wish to cover during the interview. Unstructured interviews may flow like an everyday conversation and tend to be more informal and open-ended.

Percentage of Organizations Using Automated Pre-Screening

The percentage of organizations that use automated prescreening tools to review job applicants’ resumes during the screening process. These tools perform actions such as scanning resumes for key words pertaining to the job description.

Acceptance Rate

The ratio of the total number of full-time and part-time job acceptances an organization received from job candidates to the total number of full-time and part-time offers of employment an organization extended to job candidates.

Positions Externally Filled

The number of full-time and part-time positions in an organization that were filled with candidates not employed by the organization.

Positions Internally Filled

The number of full-time and part-time positions in an organization that were filled with candidates already employed by the organization in other positions.

Time-to-Fill

Time-to-fill represents the number of days from the time the job requisition was opened until the time the offer was accepted by the candidate. This number is calculated by using calendar days, including weekends and holidays.

Open to Approval

The number of days from the time the requisition was opened to the time the requisition was approved.

Approval to Job Posting

The number of days from the time the requisition was approved to the time the job was posted (e.g., company website, job boards).

Job Posting to Start Screening

The number of days from the time the job is posted to the time the candidate screenings started.

Screen Applicants

The number of days it took to screen all job candidates.

Conduct Interviews

The number of days it took to conduct all interviews for all job candidates.

Make Final Decision

The number of days from the end of the interviews until final decisions on job candidates were made.

Offer to Acceptance

The number of days from the time an employment offer was extended to a job candidate until the time the candidate accepted the offer.

Quality of Hire

Percentage of Organizations Measuring Quality of Hire by Tracking

360-degree feedback scores—the total combined scores from a 360-degree feedback tool (i.e., total score is the aggregate of all rater groups). Raters include the employee, the employee's supervisor(s), peers, direct reports and/or customers.

Average bonus—a percentage of an employee's total salary rewarded in bonuses.

Customer service score—the aggregate score of all ratings given to an employee by customers (e.g., in retail, customers are given the opportunity to rate the employee who helped them).

Error rates in performance—formally documented errors in performance (e.g., errors in manufacturing plants that result in decreased output, low student achievement scores for teachers, etc.).

Inclusion in succession plan—whether or not an employee is included in a formal succession plan.

Interview to performance relationship—the relationship between an employee's interview evaluation scores and actual performance appraisal/management scores within six months on the job.

Number of awards—achievements and awards given to the incumbent in the first year of employment and/or subsequent years.

Performance appraisal score—a total rating given during a performance review by an employee's supervisor(s).

Profit contribution—the proportion of an employee's annual sales revenue relative to the organization's sales revenue in that same year.

Promotion frequency—how often an employee is promoted.

Promotion rate—how quickly an employee is promoted.

Rate of salary increase—how quickly an employee is given a salary increase.

Retention rate—how long (in years) an employee remains employed with the organization (e.g., staying more than one year).

Talent scorecard—the total performance on a talent scorecard, measured by items such as key performance indicators, feedback, etc.

Percentage of Organizations Measuring Quality of Hire

The percentage of organizations that track quality of hire in any way.

Separations Within First Three Months of Employment

The percentage of total separations that were employees who had tenure of three months or less.

Separations Within First Six Months of Employment

The percentage of total separations that were employees who had tenure of six months or less.

Separations Within First Year of Employment

The percentage of total separations that were employees who had tenure of 12 months or less.