

# SHRM CUSTOMIZED TALENT ACQUISITION BENCHMARKING REPORT

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TALENT ACQUISITION  
BENCHMARKING REPORT**

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## A GUIDE TO YOUR SHRM CUSTOMIZED BENCHMARKING REPORT

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### 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 50<sup>th</sup> 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.

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### RECRUITMENT

	Tools Used to Source Candidates
n	342
Company website	78%
Employee referrals	95%
Free job boards	71%
Informal networking	50%
Job fairs (onsite)	42%
Job fairs (virtual)	8%
Networking events	27%
On-campus college recruiting	41%
Online college recruiting	32%
Paid job boards	72%
Print advertisement	29%
Radio advertising	11%
Social media websites	60%
Staffing agencies: direct hires	56%
Staffing agencies: temp to hire	66%
Trade publications	8%
TV advertising	1%
Other	4%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### RECRUITMENT

	Tools Used to Source Executive Candidates
n	320
Executive search firms (headhunters)	62%
In-house executive recruiter	31%
Industry associations	18%
Internal applicants/current employees	44%
Professional contacts/networking	59%
Recruiting websites	39%
Social media	22%
Other	2%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### RECRUITMENT

	Position Responsible for Recruiting Applicants for Nonexecutive Job Openings
n	338
Hiring manager	9%
HR Generalist	59%
In-house recruiter	19%
Third-party recruiter/staffing agency	6%
Other	7%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### RECRUITMENT

	Position Responsible for Recruiting Applicants for Executive Job Openings
n	322
Hiring manager	13%
HR Generalist	38%
In-house recruiter	19%
Third-party recruiter/staffing agency	13%
Other	18%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### RECRUITMENT

	n	25th Percentile	Median	75th Percentile	Average
Cost-per-hire	84	\$752	\$2,500	\$5,000	\$3,894
Executive cost-per-hire	48	\$2,625	\$10,740	\$25,000	\$19,476
Recruitment expenses-to-HR- expenses ratio	32	1%	8%	21%	19%
Requisitions per recruiter (or HR FTE)	155	5	15	40	29
Requisitions per recruiter (organizations with dedicated recruiters)	71	10	26	50	45
Requisitions per recruiter (organizations without dedicated recruiters)	83	3	8	20	20

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

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### SELECTION

Selection Techniques Used to Assess Executive Level Candidates	
n	268
Audition/work sample interview	15%
Behavioral or personality assessment	37%
Behavioral interview	57%
Cognitive skills assessment	16%
Competency-based interview	41%
Group interview	52%
In-person screening	53%
Knowledge test	4%
One-on-one interview	69%
Panel interview	34%
Phone screening	64%
References	67%
Skype/video conference interview	31%
Stress interview	4%
Structured interview	30%
Technical skills assessment	9%
Unstructured interview	11%
Other	0%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### SELECTION

Selection Techniques Used to Assess Middle Management Candidates	
n	302
Audition/work sample interview	16%
Behavioral or personality assessment	30%
Behavioral interview	56%
Cognitive skills assessment	17%
Competency-based interview	43%
Group interview	54%
In-person screening	53%
Knowledge test	6%
One-on-one interview	66%
Panel interview	33%
Phone screening	72%
References	65%
Skype/video conference interview	26%
Stress interview	1%
Structured interview	30%
Technical skills assessment	16%
Unstructured interview	10%
Other	0%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### SELECTION

	Selection Techniques Used to Assess Nonmanagement/Individual Contributor Candidates
n	281
Audition/work sample interview	18%
Behavioral or personality assessment	22%
Behavioral interview	54%
Cognitive skills assessment	16%
Competency-based interview	40%
Group interview	45%
In-person screening	55%
Knowledge test	18%
One-on-one interview	69%
Panel interview	27%
Phone screening	72%
References	59%
Skype/video conference interview	19%
Stress interview	0%
Structured interview	28%
Technical skills assessment	30%
Unstructured interview	11%
Other	1%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### SELECTION

	Selection Techniques Used to Assess Nonexempt (Hourly) Nonmanagement Candidates
n	300
Audition/work sample interview	15%
Behavioral or personality assessment	13%
Behavioral interview	43%
Cognitive skills assessment	21%
Competency-based interview	35%
Group interview	33%
In-person screening	57%
Knowledge test	24%
One-on-one interview	69%
Panel interview	18%
Phone screening	60%
References	47%
Skype/video conference interview	9%
Stress interview	0%
Structured interview	27%
Technical skills assessment	31%
Unstructured interview	13%
Other	0%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### SELECTION

	n	Yes	No
Use of automated prescreening to review job applicant's resume	326	19%	81%

	n	25th Percentile	Median	75th Percentile	Average
Acceptance rate	162	86%	95%	100%	91%
Positions externally filled	142	67%	89%	100%	73%
Positions internally filled	141	0%	11%	33%	26%

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

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### SELECTION

	n	25th Percentile	Median	75th Percentile	Average
Time-to-fill	168	20 days	30 days	45 days	34 days
Open to approval	101	1 day	2 days	5 days	7 days
Approval to job posting	98	1 day	1 day	3 days	3 days
Job posting to start screening	99	3 days	5 days	9 days	7 days
Screen applicants	98	2 days	5 days	10 days	7 days
Conduct interviews	100	3 days	5 days	10 days	7 days
Make final decision	101	2 days	3 days	5 days	5 days
Offer to acceptance	105	1 day	2 days	4 days	4 days

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

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### QUALITY OF HIRE

Quality of Hire Measures Used by Organizations	
n	51
360-degree feedback scores	31%
Average bonus	16%
Customer service score	10%
Error rates in performance	35%
Inclusion in succession plan	12%
Interview to performance relationship	24%
Number of awards	2%
Performance appraisal score	61%
Profit contribution	6%
Promotion frequency	8%
Promotion rate	12%
Rate of salary increase	6%
Retention rate	57%
Talent scorecard	10%
Other	4%

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## SHRM TALENT ACQUISITION CUSTOMIZED BENCHMARKING REPORT

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### QUALITY OF HIRE

	n	Yes	No
Percentage of organizations measuring quality of hire	269	20%	80%

	n	25th Percentile	Median	75th Percentile	Average
Separations within first three months of employment	130	0%	8%	29%	17%
Separations within first six months of employment	128	0%	9%	29%	16%
Separations within first year of employment	129	0%	13%	33%	23%

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

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## TALENT ACQUISITION GLOSSARY OF METRIC TERMS, DEFINITIONS AND CALCULATIONS

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### Statistical Definitions

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#### “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

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#### 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

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### 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

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### 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

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#### 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.