



NEOGOV

TIME
to
HIRE
REPORT

2020

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Over the last few years, the public sector has seen increased difficulty in attracting enough applicants to open positions, in turn leaving jobs vacant, managers frustrated, and service to citizens inhibited. Since 2013, the public sector has seen an 8% drop in applicants.

While that number may not sound alarming, when coupled with a 29% increase in the number of job openings, a **37% gap between needed and available talent emerges**. In order to aid organizations as they tackle the employee shortage, NEOGOV introduced a series of research reports that track and provide meaningful hiring data to government agencies and higher education institutions.



HOW IS TIME-TO-HIRE MEASURED?

“Time-to-Hire” is the amount of time it takes

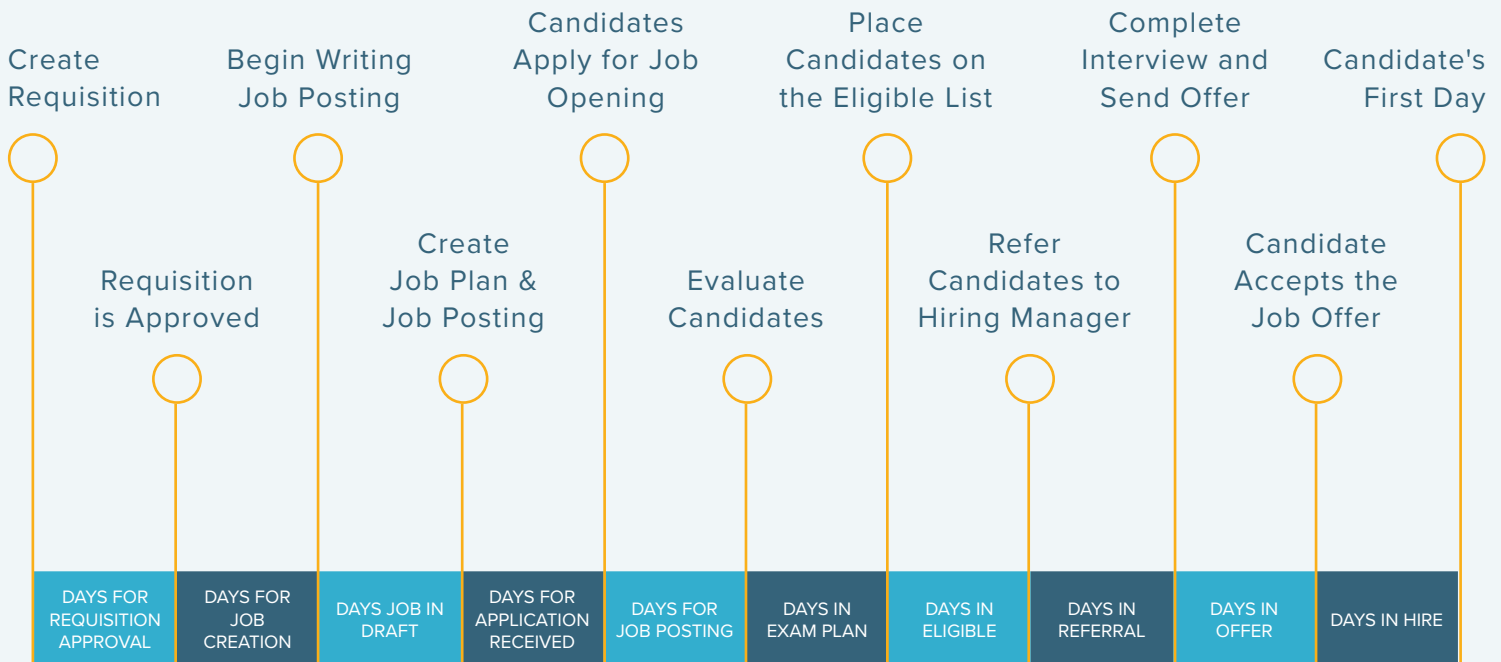
an organization to fill a position with a new hire, from the date the requisition is created to the date a candidate accepts an offer. According to the Society for Human Resources Management (SHRM), the number is calculated “using calendar days, including weekends and holidays.” However, not all organizations measure this number identically.

Organizations track time-to-hire by calculating how many days each step in the hiring process takes. While organizations do not always track the same stages, for the purpose of this study, we used the ten most-used stages of the hiring process:



Time-to-Hire Calculations

Figure 1



AVERAGE

PUBLIC SECTOR TIME-TO-HIRE

NEOGOV performed an analysis of hiring data from 2017, covering 999 organizations across the public sector including local government, state, and education to provide insight into current time-to-hire metrics. Over 8.2 million applicants were included and over 326,000 hires across the United States to ensure a healthy and representative sample size. The data revealed that in 2018, the average time-to-hire across government agencies and higher education institutions was 119 days.

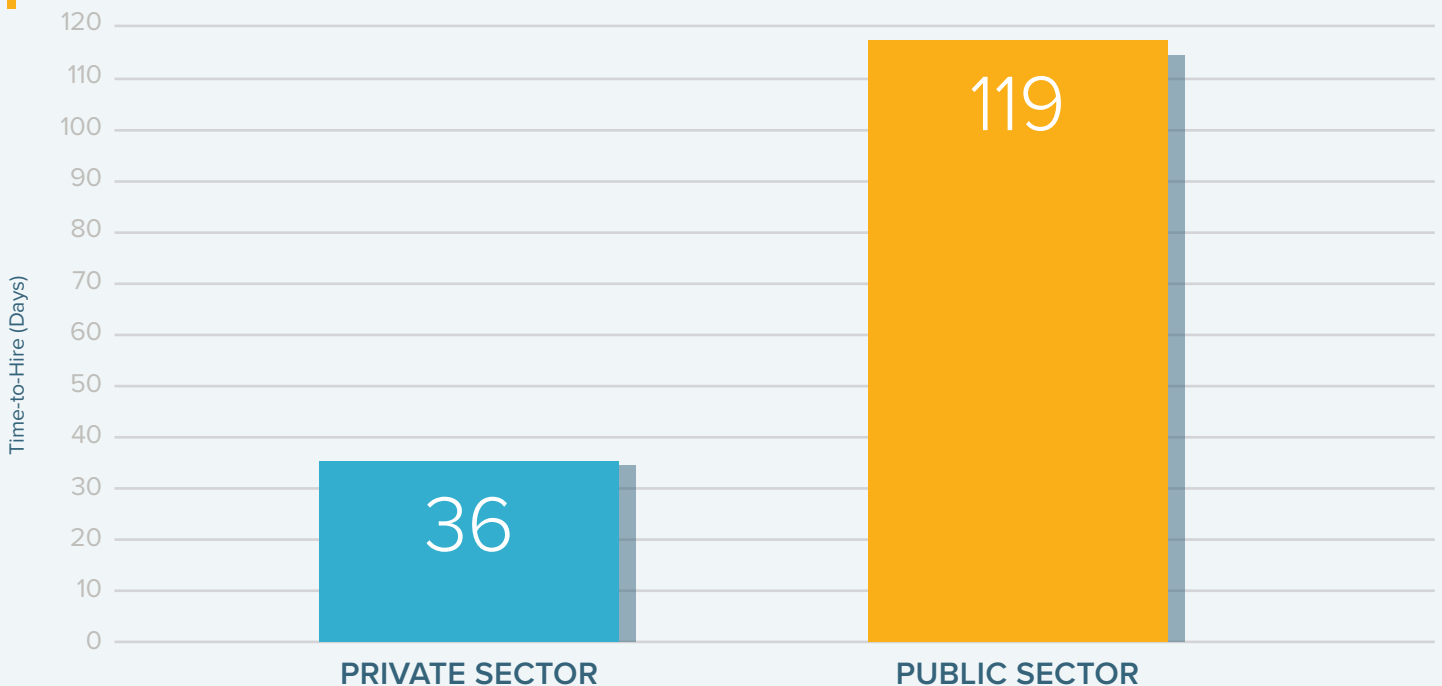
According to SHRM, the average time-to-fill in the private sector is 36 days, less than a third of the time it takes to hire in the public sector. It is important to note that the private sector measures time-to-hire differently than the public sector and does not utilize all of the same recruitment stages as the public sector. The private sector's recruitment process is comprised of fewer steps.



*The average
public sector
time-to-hire was
119 days
in 2018.*

Private Sector vs Public Sector Time-to-Hire

Figure 2

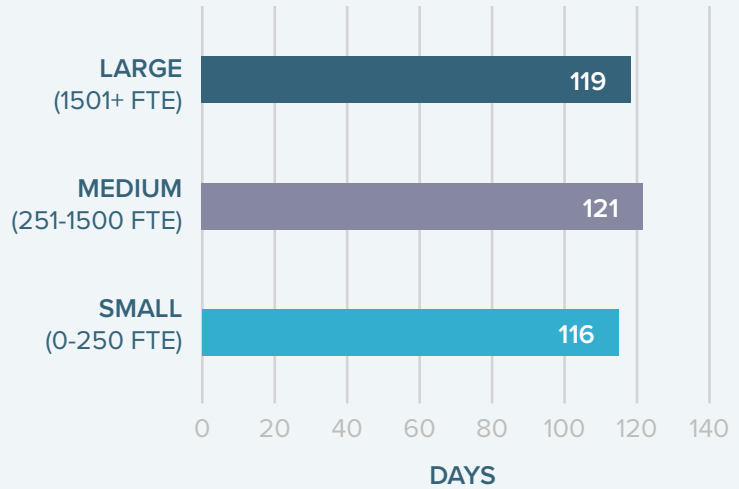


TIME-TO-HIRE BY AGENCY SIZE AND TYPE

SIZE OF ORGANIZATION

Broken down by the size of an agency -- full time employees (FTE) -- there were some significant differences. Small agencies with up to 250 full time employees hired slightly faster than average at 116 days to hire, while large organizations with more than 1,500 full-time employees hired at the average of 119 days. Medium agencies, with between 251 and 1,500 employees, are hiring two days slower than the average, with a time-to-hire of 121 days.

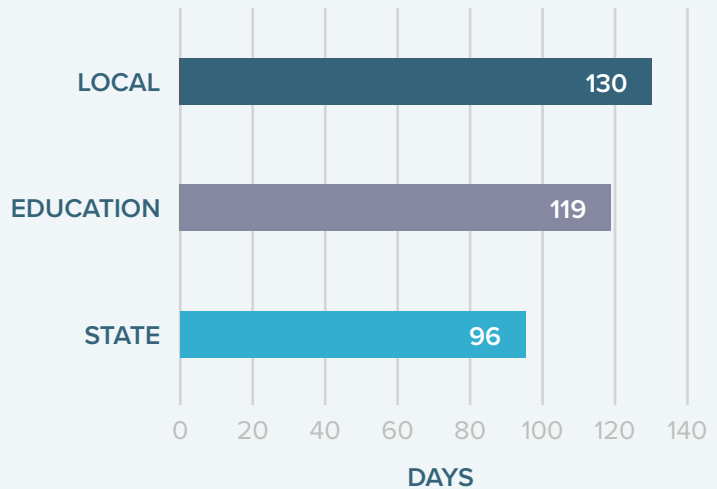
Time-to-Hire by Size of Organization
Figure 3



ORGANIZATION TYPE

Across government agencies and higher education institutions, there were three prominent categories the organizations fit into, including Local Government, Education, and State Government.

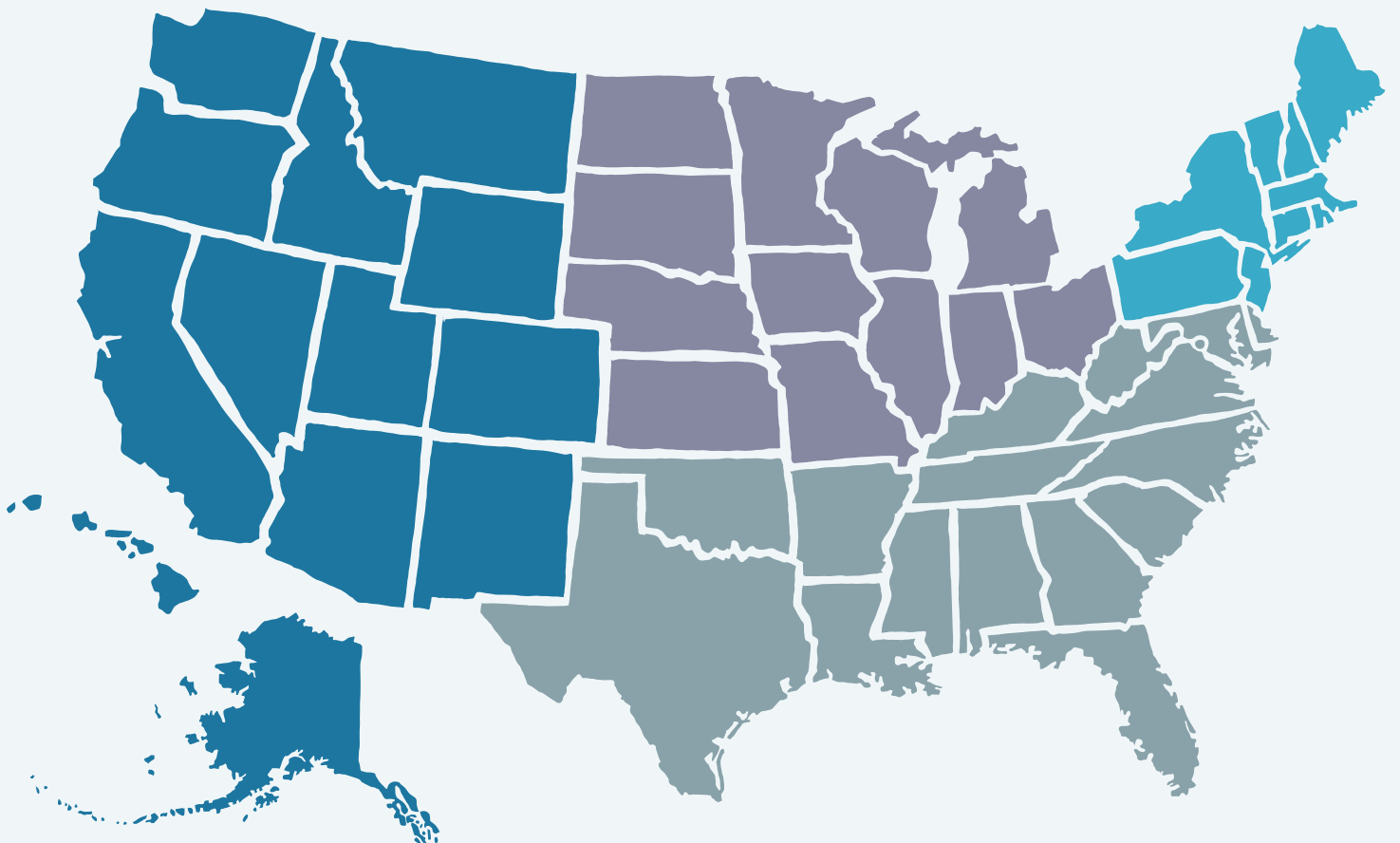
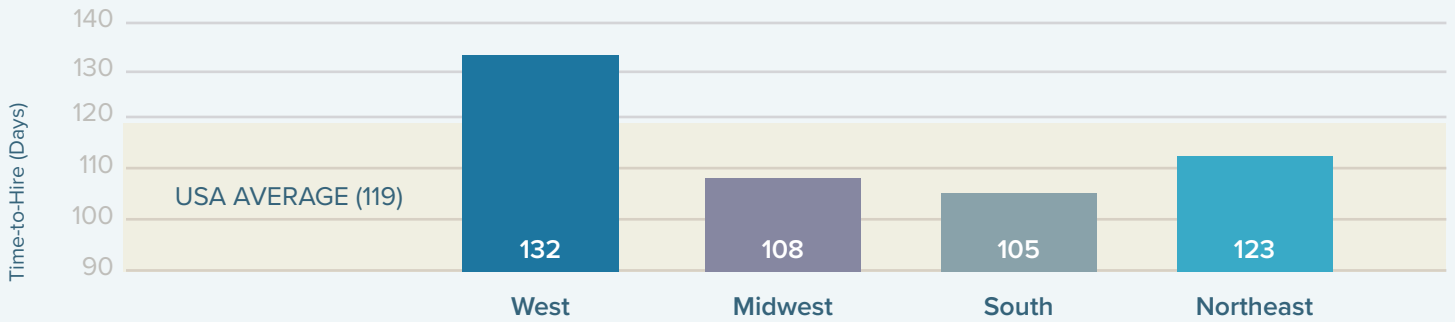
Time-to-Hire by Type of Organization
Figure 4



TIME-TO-HIRE BY REGION

To consider the data geographically, we split the organizations into four regions: West, Midwest, South, and Northeast. The two regions that hired slower than the US average were the West and Northeast regions, hiring at 132 and 123 days, respectively. The Midwest and South both hired below average, with times to hire of 108 and 105 days.

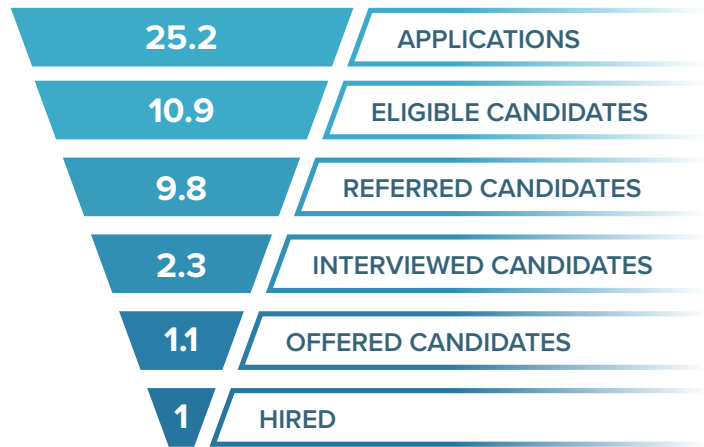
Time-to-Hire by Region
Figure 5



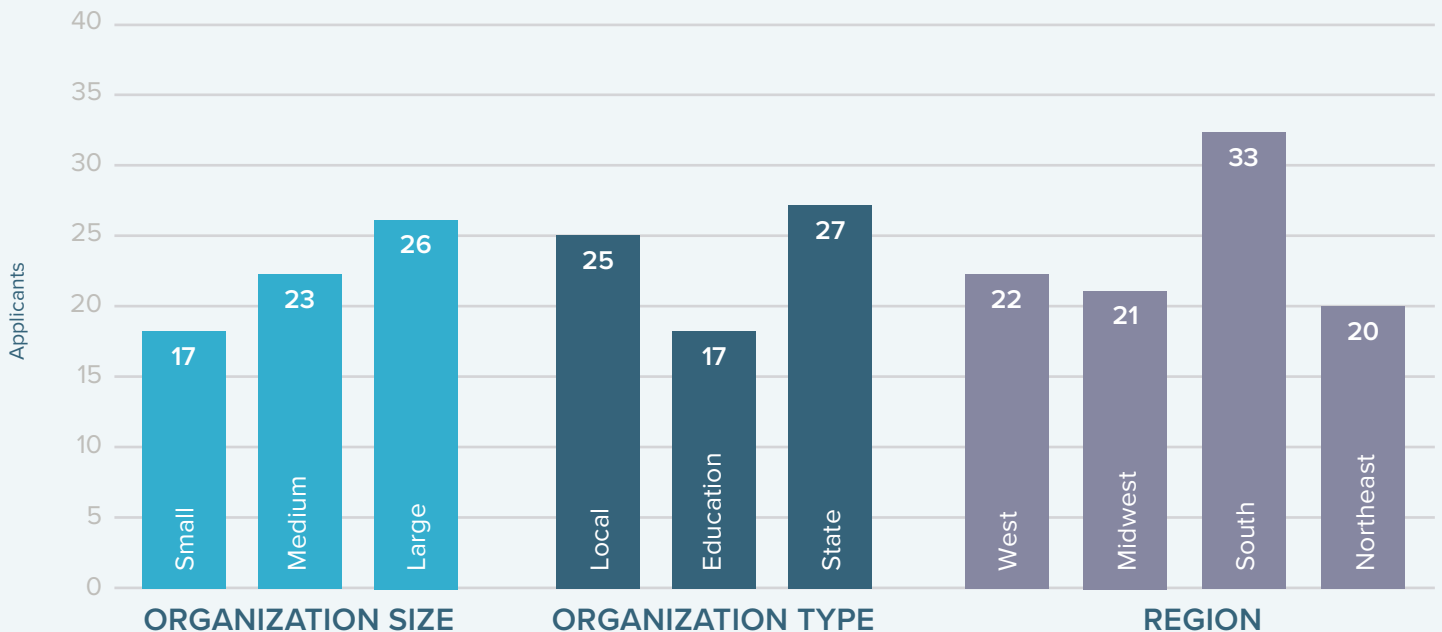
APPLICANTS NEEDED TO GET A QUALIFIED HIRE

According to our data, on average, it takes **25 applications to land one hire**. When broken down by stage of the hiring process, out of those 25 applicants, 10.9 were moved to the eligible list. From there, 90% were referred (9.8 candidates), but only 24% were interviewed (2.3 candidates), and one candidate was offered the role.

Public Sector Applicant-to-Hire Funnel
Figure 7



Average Number of Applicants Needed to Get a Qualified Hire
Figure 8



APPLICANTS NEEDED BY JOB CATEGORY

Although the average ratio of applicants needed to fill positions across all public sector roles is 25:1, this number varies by position type. For example, Transportation roles typically only require 9 applicants for one hire, while Accounting roles need an average of 49 candidates per open position. Finding this many candidates can be challenging in today's job climate.



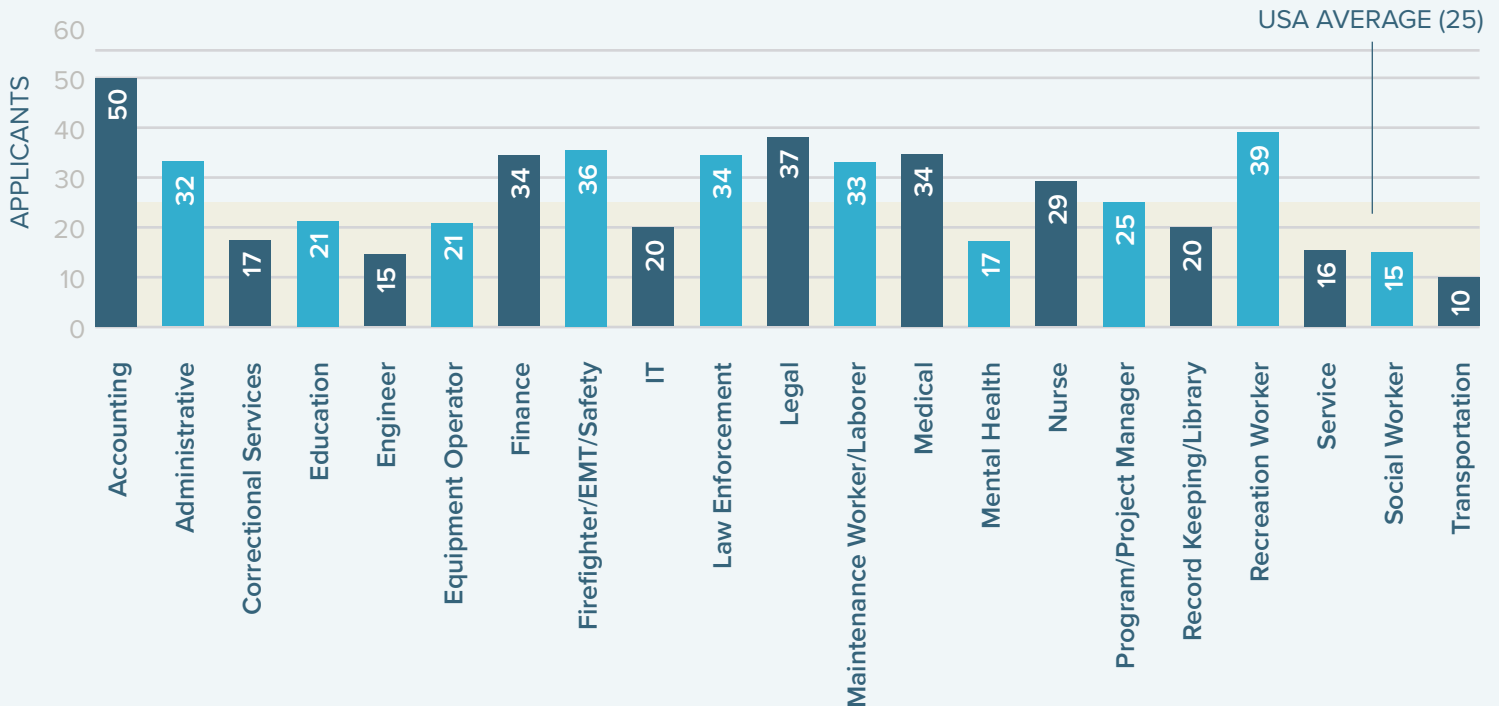
Tip:

If you don't have enough candidates, explore online job boards. According to NEOGOV, NASCA, and Accenture's **Job One Report**, 62% of applicants are searching for jobs through online job boards. Of those applicants, 79% are searching on Indeed, 68% on GovernmentJobs.com, and 51% on USAJobs.gov.

Download the report at neogov.com



Average Number of Applicants Needed to Get a Qualified Hire
Figure 9



WHY DOES TIME-TO-HIRE MATTER?

The time it takes to complete a new hire may not seem like it would have a huge impact on an organization, but there are several reasons why understanding and decreasing time-to-hire matters to the public sector.

COST OF FILLING A POSITION

Candidate searches are expensive and the longer it takes to fill a position, the more likely costs are to escalate. With limited budgets, the public sector cannot afford to spend resources unnecessarily.

“The average cost-per-hire in 2016 was \$4,425, a \$300 increase from the previous year.”

SHRM 2017 Talent Acquisition
Benchmarking Report

SHRM explains cost-per-hire as the total internal costs (such as recruitment software), plus external costs (including advertising, travel, and recruitment event expenses), divided by the number of hires. While the internal costs may remain the same regardless of hiring time, the external cost will continue to increase the longer it takes to fill a position. Speeding up the time-to-hire can reduce the overall hiring cost, saving organizations from spending their budgets inefficiently.

LEAVING A ROLE OPEN HAS NEGATIVE EFFECTS ON TEAMS

When a role is left open in the public sector, there are several consequences that can have an impact on the organization and the quality of service provided to citizens. The vacant position can cause the rest of the team to take on extra work, resulting in discontent or overworked employees. The agency can also accrue overtime costs for workers taking on extra job duties. Or, the role may go unoccupied indefinitely and potentially reduce service to citizens.

Without a full team, and with unhappy team members, managers can become frustrated that their team is not able to perform at 100%. Reducing time-to-hire for open positions can limit the negative effects of an incomplete team.

WHY DOES TIME-TO-HIRE MATTER?

RISK OF LOSING CANDIDATES

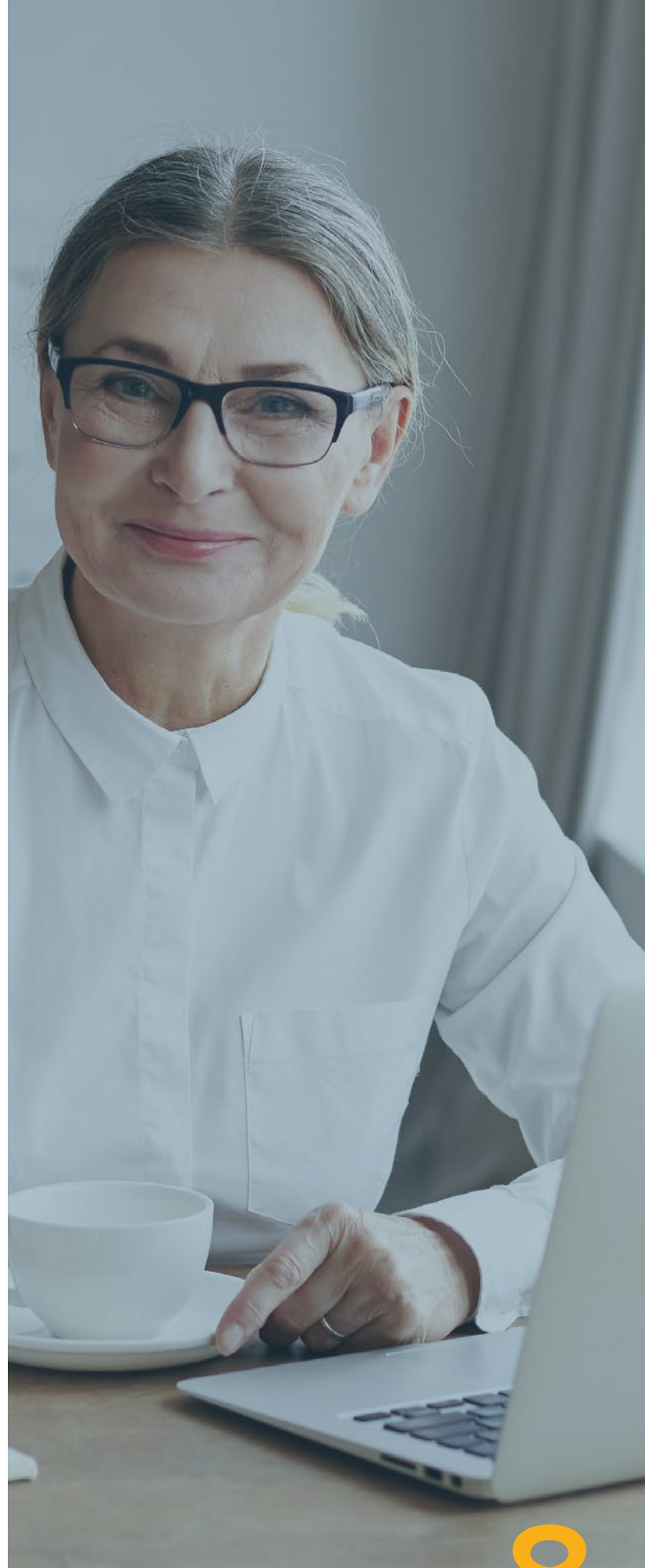
The longer organizations take to hire, the higher the likelihood that a candidate will find another position or drop out of the recruitment process. By gaining visibility into your time-to-hire and the breakdown of the time involved with each stage of the process empowers HR to hone in on areas for improvement.

*The best candidates are snagged within **ten days** of entering the job market.*

ERE Recruiting Intelligence

DATA CAN HELP TO MAKE A CASE TO LEADERSHIP

Knowing an organization's time-to-hire and which steps could reasonably be accelerated with additional support can help get buy-in from management. With data, HR can present a case to leadership with recommendations for better technology or a larger recruiting budget, for instance.



WHAT

IMPACTS TIME-TO-HIRE?

If your organization's time to hire is longer than average, break it down so you can see which step in the process is slowing down your overall hiring process. By identifying where the bottlenecks are, organizations will be able to address them. Some of the most common bottlenecks that slow down public sector recruitment include:

THE DETRIMENTAL IMPACT OF INDECISIVE HIRING MANAGERS

One of the stages that can cause the recruitment process to lose momentum is the pace of the hiring manager in making decisions, usually between the interview stage and the offer.

“*Hiring managers who are indecisive cause a **16% reduction** in candidates accepting offers.*”

Gartner

Indecisive hiring managers who take days or weeks to make their decision after interviewing all of the eligible candidates risk losing qualified candidates to another role perhaps because they lose interest in the position, are offered a role by a decisive hiring manager, or panic into accepting a less desirable role because they believe the position must have been filled.

THE COST OF OUTDATED PROCESSES

There are many factors that can affect an agency's time-to-hire, including technology. How many of your processes are still manual? Have you automated the process of identifying the applicants who meet minimum qualifications?

When there are limited candidates available, quality ones are the most likely to be snatched up first, making it essential for public sector organizations to accelerate their recruiting pace. Using an outdated process for each, or any of the stages of hiring, whether it be playing phone tag to schedule interviews or using snail mail to send paper offer letters, can negatively impact time-to-hire.



Tip:

Speed up time to hire by using automated recruiting software that will streamline the process for you.

APPROACH



NEOGOV's data in this report is based on an analysis of 8.2 million applicants, over 326,000 hires, and 999 agencies, including special districts, courts, local government, education (K-12 and higher ed), state government, and healthcare in 2017.

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