

RCSA Web Survey

Round 8 - June 2003



VALUES BANK

R E S E A R C H C E N T R E

Executive Summary

- The survey showed static business confidence with moderate growth in the immediate future
 - Members are:
 - Slightly more confident - 74% agree that business will increase in the next three months, compared to 69% for the last survey. This gives a +3.3% change in the RCSA Member Confidence Score
 - Expect business to increase by 5.4% compared to the same last round
 - Experiencing an increase in their own staff levels since the last survey. Staff turnover remains as high
 - Finding it harder to locate applicants with the right attitudes and mix of skills and capabilities
 - Members top concerns are similar to last survey except the economy has risen to the top place. The top four concerns are:
 - State of the economy
 - Lack of hiring intentions by clients
 - Price undercutting in their industry
 - Maintaining profitability/fee levels
 - In Australia the greatest concerns for the future remain:
 - Legal issues about on-hired staff
 - WorkCover Legislation, replacing unfair dismissal (down 10%)
- The greatest number of placements is:
 - Blue collar
 - Nurses & medical
 - Secretarial & clerical



Executive Summary cont'd

➤ Placements

- More than half (60%) of revenue is generated by on-hire placements
- Permanent full-time placements account for just over a third of revenue from placements
- Permanent part-time placements account for only 6% of revenue from placements
- On-hire placements account for the majority of placements
 - Nursing & medical (97%)
 - Education (97%)
 - Blue collar (93%)
 - Hotel & catering (90%)
 - Drivers (88%)
 - Other (83%)
 - Technical & engineering (81%)
 - Secretarial (79%)
- The occupations with substantial permanent full-time placements are:
 - Professional & managerial (64% permanent full-time)
 - Financial (40% permanent full-time)
 - Computing (35% permanent full-time)

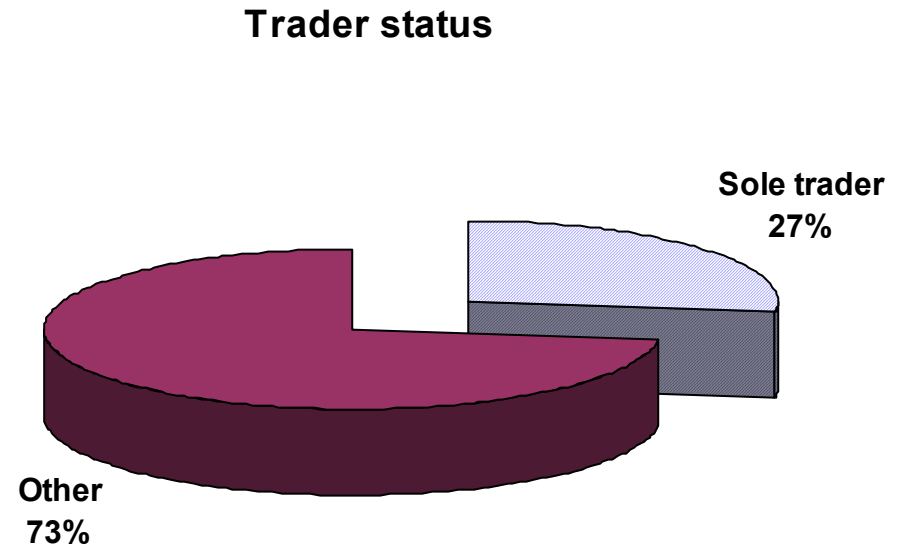
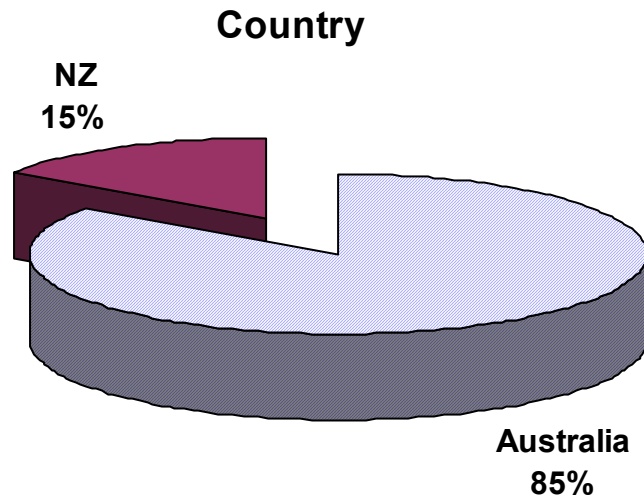


Process

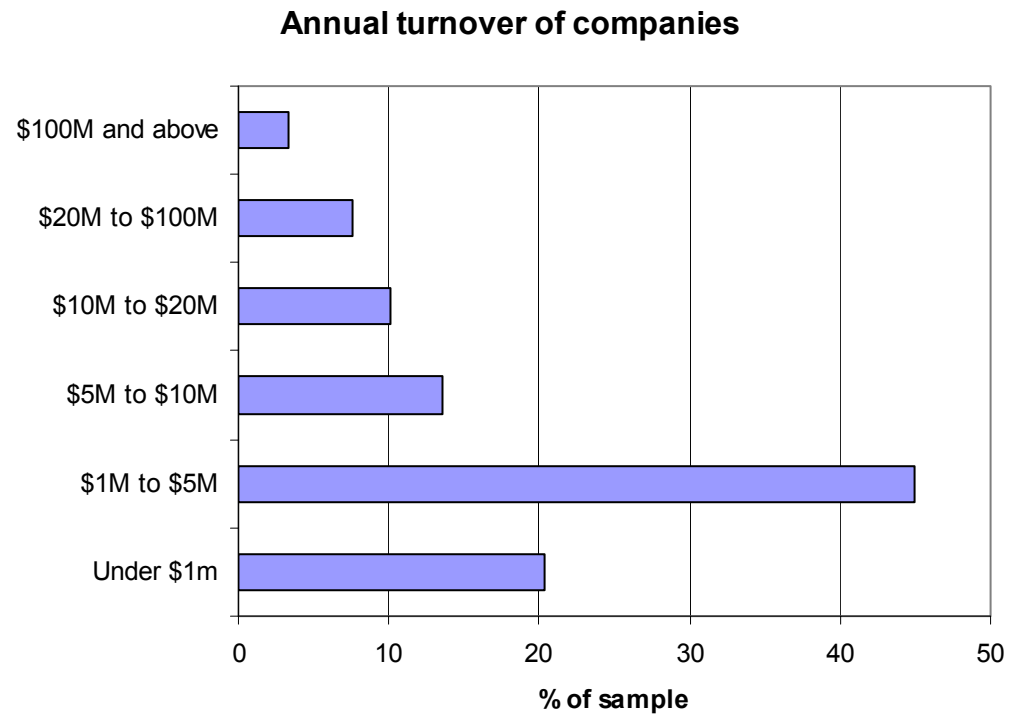
- Web survey
 - E-mail business heads in both NZ and Australia
 - 121 responses
 - Data collection began early June 2003



Demographics of sample

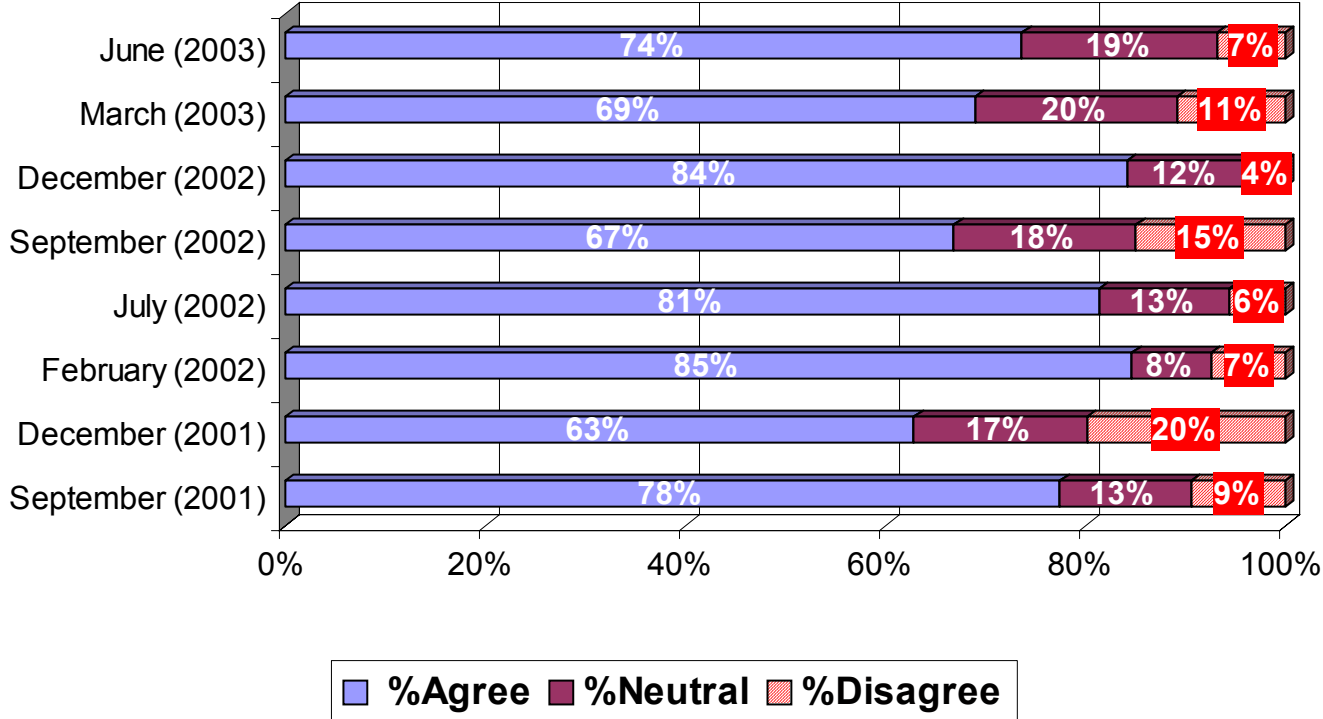


Demographics of sample



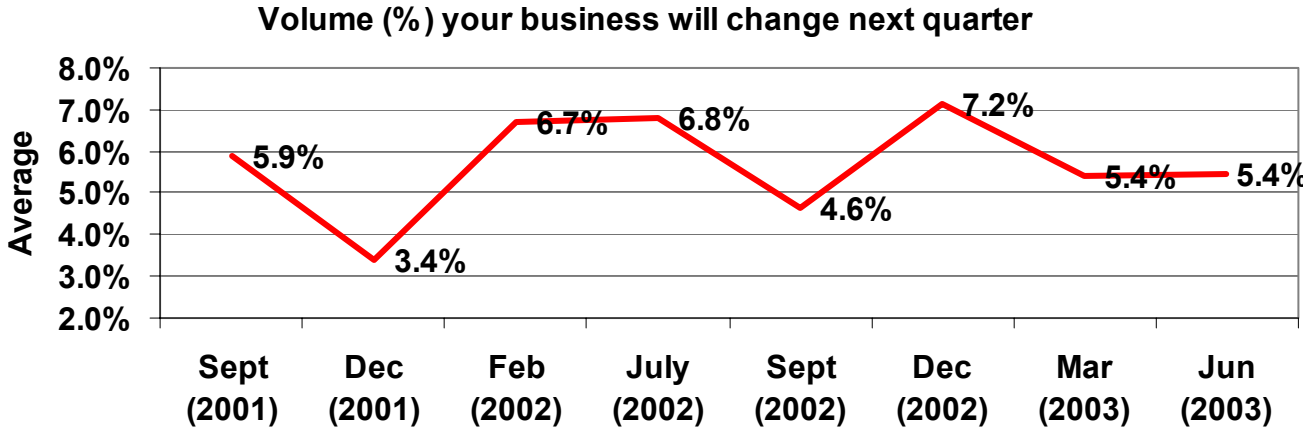
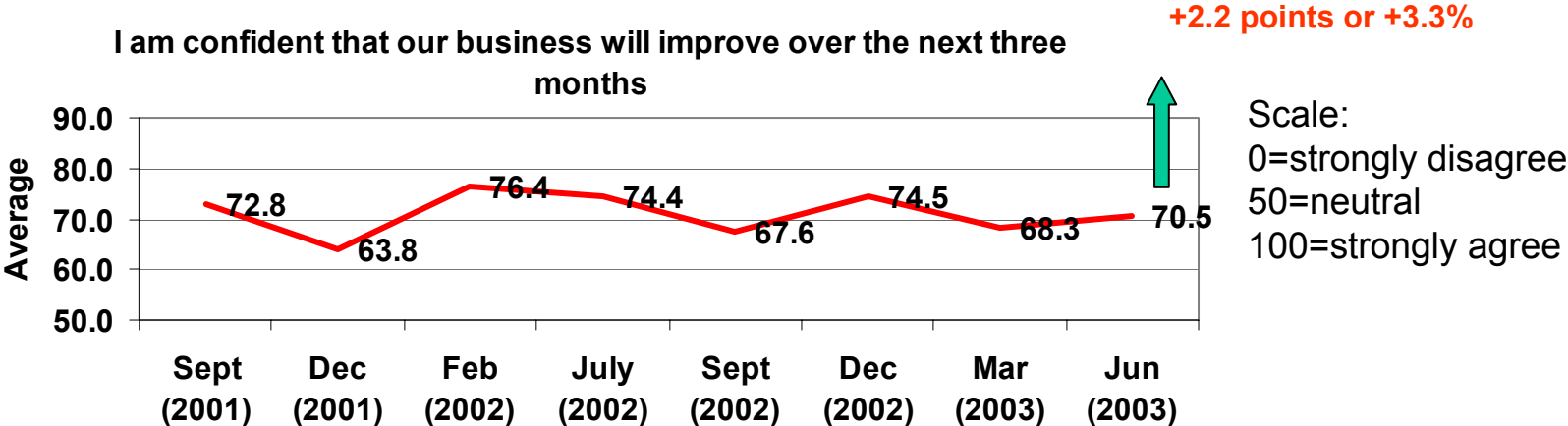
RCSA members are slightly more confident their business will improve in the next three months but the volumes remain the same

Confidence that business will improve in the next 3 months



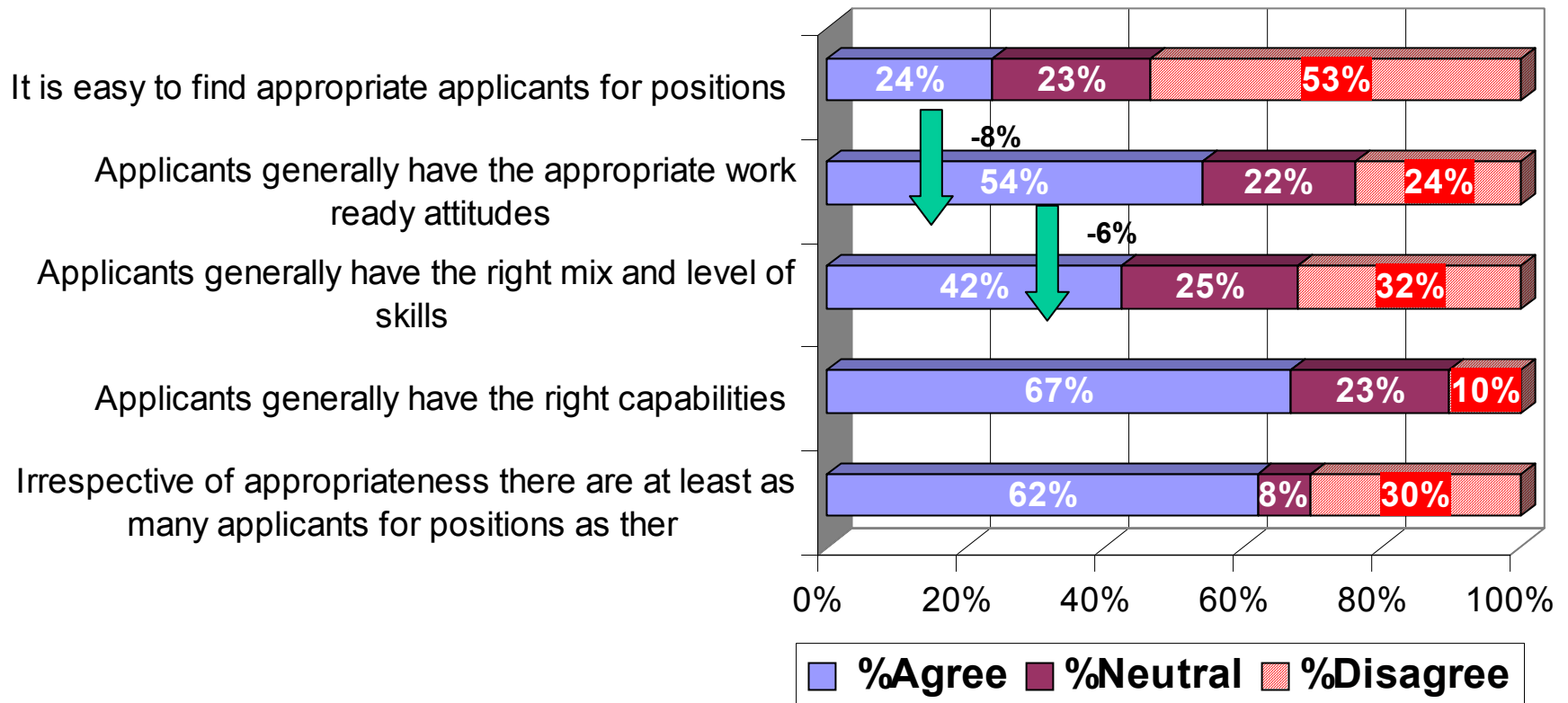
Expected volume of business increase in the next quarter =5.4% same as last round

Business confidence has risen slightly. The expected growth in volume is static

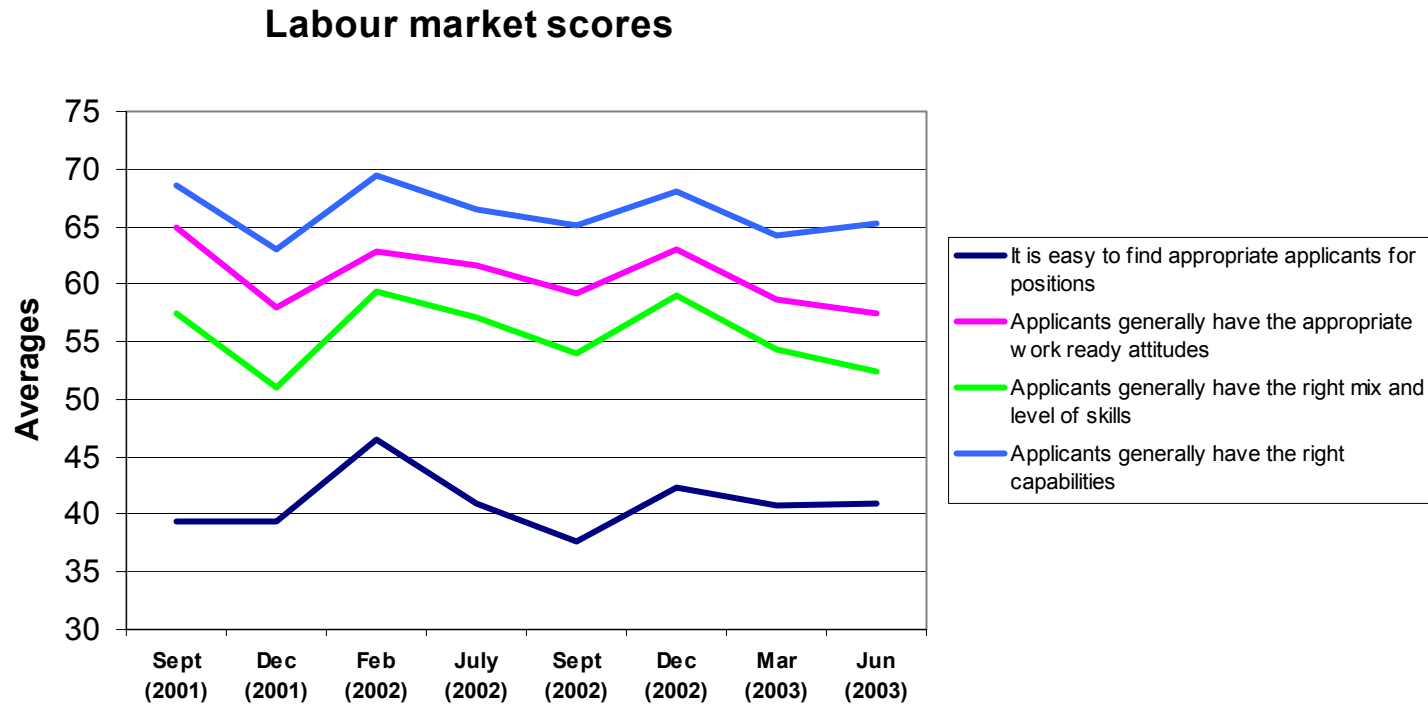


Confidence in the labour market has eased slightly since the last survey
 It is becoming harder to find applicants with the appropriate attitudes and the right level and mix of skills

Labour market



Labour market scores continue to ease



Scale:
0=strongly disagree
50=neutral
100=strongly agree



RCSA member staff turnover remains high.

There is extreme variability in the rate of staff turnover. RCSA members have the same levels of staff turnover compared to last quarter and are recruiting less

June 2003

	Mean	Minimum	Maximum
Equivalent full time internal positions in your business (include yourself)	20.76	1	620
Internal employees who left your business in the last six months	2.27	0	39
Staff turnover 6 months - %	15.31	0	100
Internal employees who joined your business in the last six months	2.82	0	35
Staff growth 6 months - %	4.50	-100	60

March 2003

	Mean	Minimum	Maximum
Equivalent full time internal positions in your business (include yourself)	17.72	1	611
Internal employees who left your business in the last six months	2.02	0	50
Staff turnover 6 months - %	15.77	0	104.55
Internal employees who joined your business in the last six months	2.86	0	121
Staff growth 6 months - %	5.34	-90.91	100



VALUES BANK

RESEARCH CENTRE

Staff placed and on-hired workers

March 2003

	Mean	Minimum	Maximum
Number of staff placed on client payrolls by your business	56.68	0.00	2,750.00
Total number of on-hired workers you manage	195.73	0.00	7,000.00
Number of hours billed for on-hired workers by your business	22,309.58	0.00	2,000,000.00

June 2003

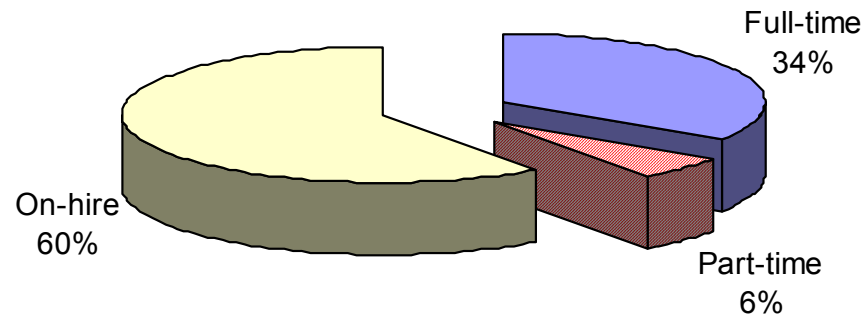
Note the structure of the question has changed

	Mean	Minimum	Maximum
Permanent full-time placements	24.31	0	325
Permanent part-time placements	2.63	0	31
On-hire placements	339.05	0	5,400
Number of hours billed for on-hired workers	99,808.54	1	2,400,000

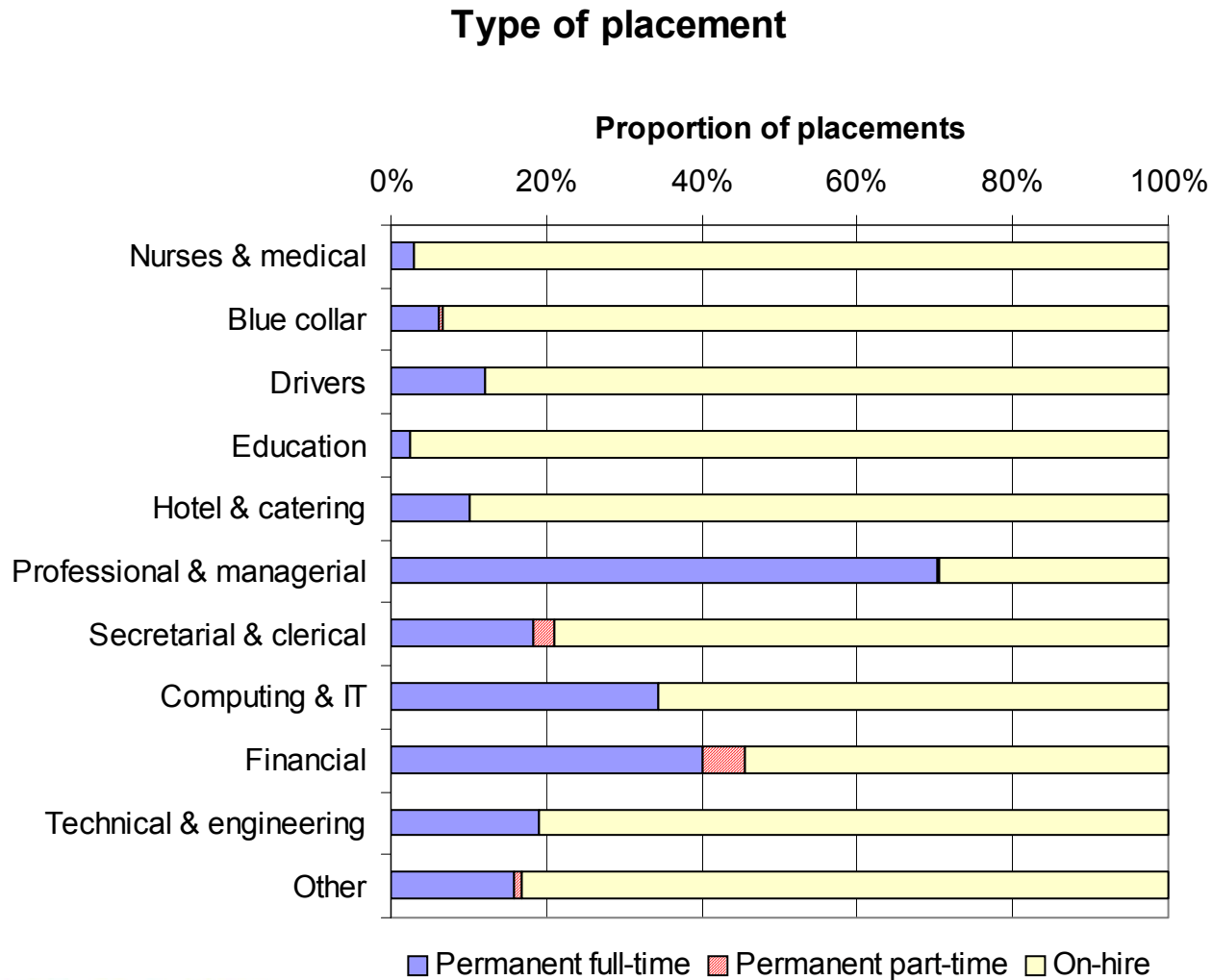


The majority of revenue comes from on-hire placements

Proportion of revenue for placements



On-hire placement is the dominant method for all occupational types except professional/managerial



Blue collar placements are the most frequent with an average of 226 placed per company every three months

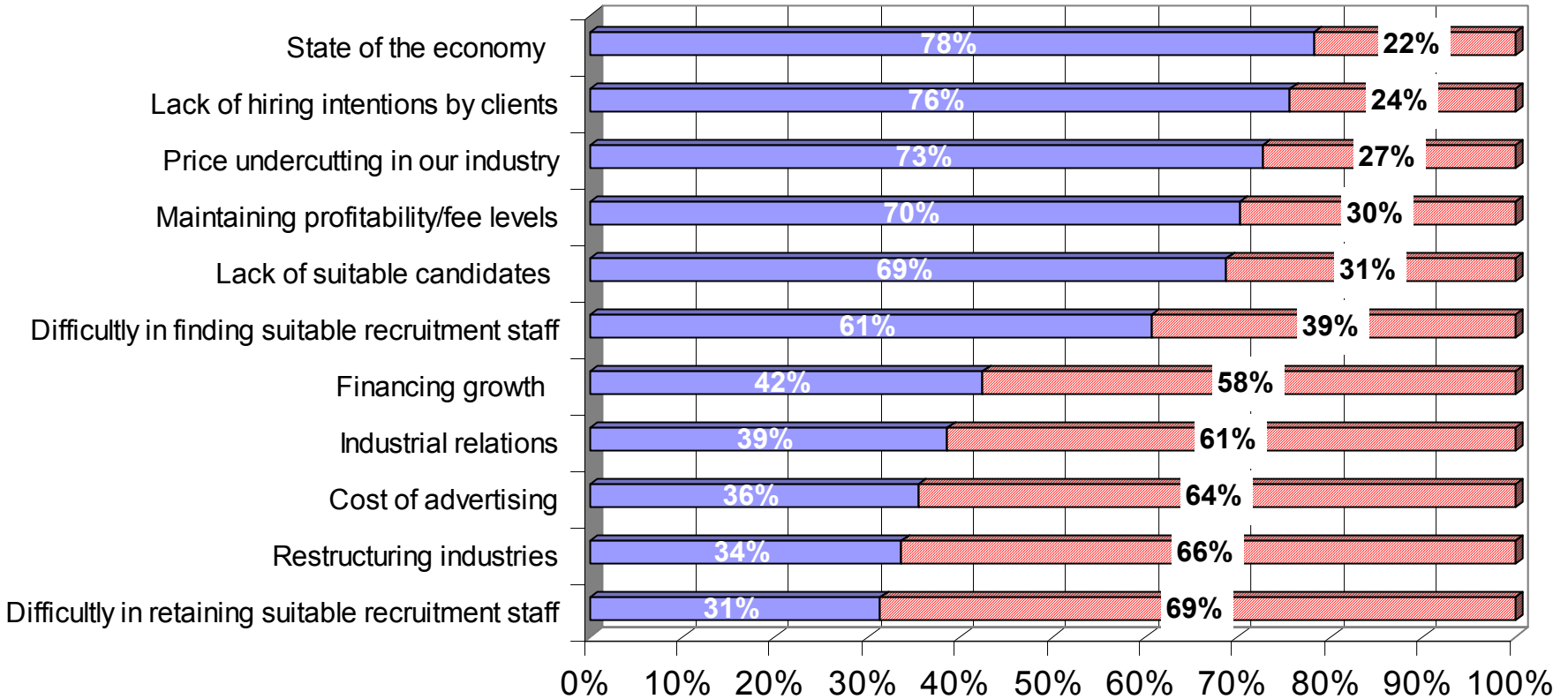
	Mean	Minimum	Maximum
Blue collar	226	0	12000
Nurses & medical	83	0	6500
Secretarial & clerical	52	0	1200
Other	23	0	1925
Hotel & catering	16	0	1750
Education	16	0	1755
Professional & managerial	9	0	120
Technical & engineering	7	0	284
Financial	7	0	208
Drivers	3	0	100
Computing & IT	2	0	22



Concerns for the present and near future

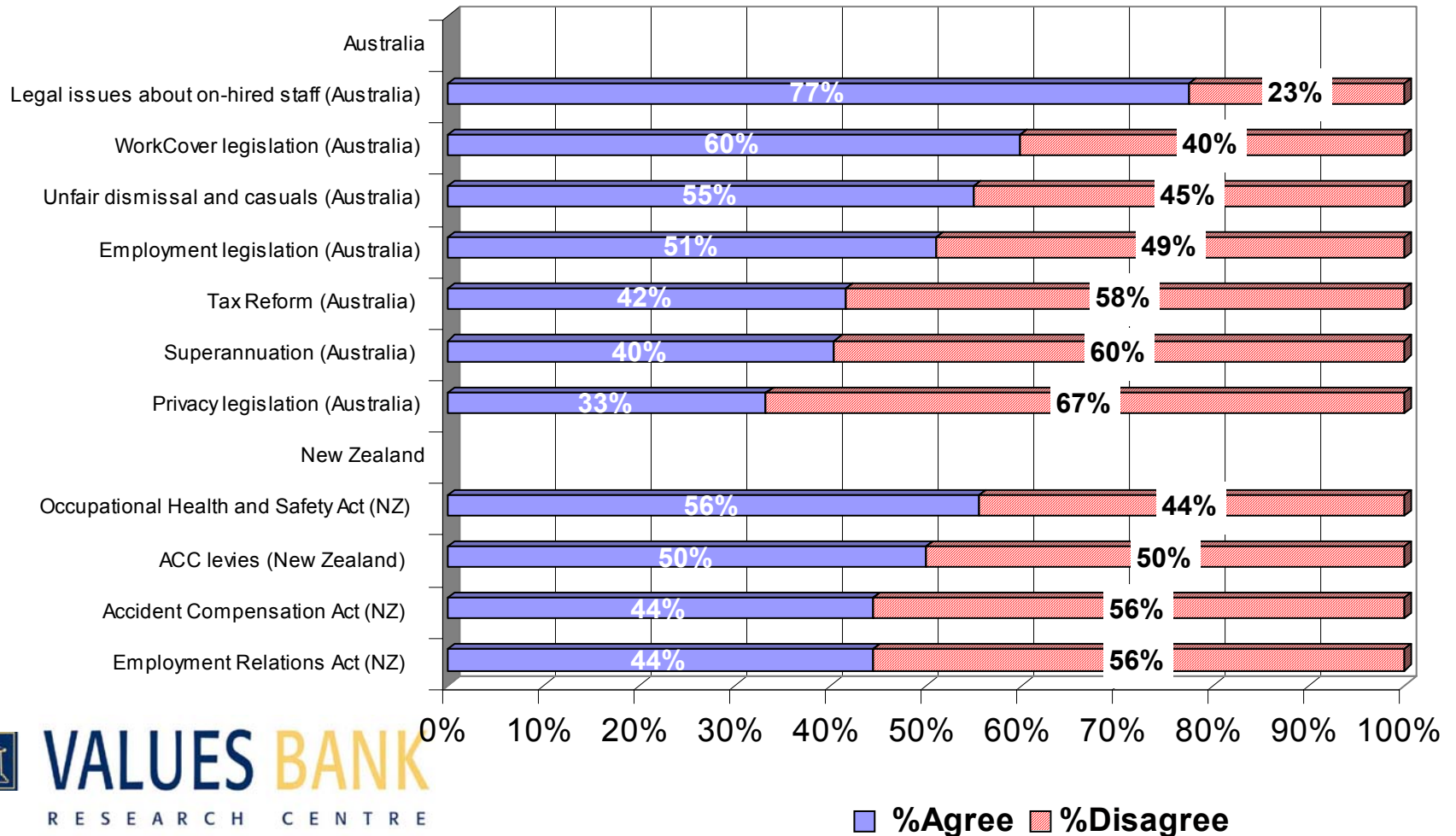
(all respondents)

The state of the economy has become the top concern while lack of hiring intentions and price undercutting remain at similar levels of concern .



Concerns for the present and near future (National issues)

Concerns about all issues remains constant. Legal issues about on-hired staff remain the strongest concern in Australia. OH&S is the most serious concern in NZ.



Special section

Employment conditions and communications



VALUES BANK

R E S E A R C H C E N T R E

Labour turnover and growth is high, variable & skewed

	Mean	Minimum	Maximum	Std
Staff turnover 6 months - %	15.31	0	100	20.23
Staff growth 6 months - %	4.50	-100	60	21.20

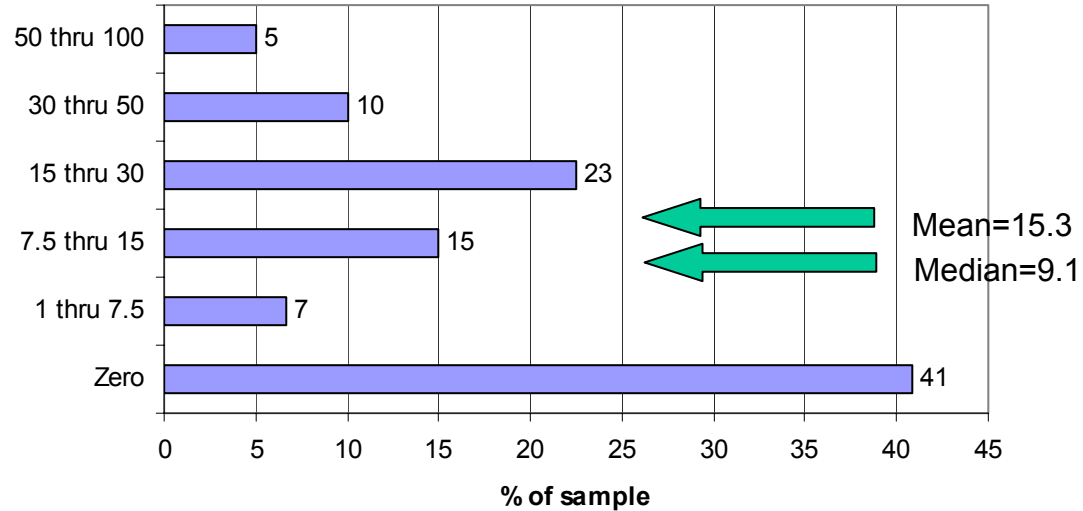


VALUES BANK

R E S E A R C H C E N T R E

Labour turnover and growth is high, variable & skewed

Staff turnover - % in 6 months



Staff growth - % in 6 months

