

# RCSA Web Survey

Round 6 - December 2002



**VALUES BANK**

RESEARCH CENTRE

# Executive Summary

- Overall, the survey showed a marked return in optimism for the immediate future
  - Members are:
    - More confident - 84% agree that business will increase in the next three months, compared to 67% for the last survey. This gives a +10.3% change in the RCSA Member Confidence Score
    - Expect business to increase at the highest rate since the study began. They are expecting business volumes to rise by 7.2% compared to 4.6%
    - Experiencing an increase in their own staff levels (up 8%) since the last survey. Staff turnover remains as high and the growth in staff members is driven by extra recruitment
    - Finding it easier to locate suitable candidates and easier to find applicants with the right mix of skills and capabilities
    - Neutral about applicant expectations of remuneration and their own assessment of abilities
  - Members top concerns are similar to last survey except worries about the deteriorating economy have been replaced by lack of hiring intentions. The top three concerns are:
    - Price undercutting in their industry
    - Lack of hiring intentions by clients
    - Maintaining profitability/fee levels
  - In Australia the greatest concerns for the future are:
    - Legal issues about on-hired staff
    - WorkCover Legislation, replacing unfair dismissal (down 10%)
- Member companies business offerings
  - More than three quarters offer on-hired employee & contractor services for professional and white collar occupations
  - Less than half offer on-hired employee & contractor services for blue collar and other occupations
  - Most offer recruitment services
  - Half offer consulting services



# Executive Summary cont'd

- Non-core training of key occupational groups
  - Members are neutral about the availability of training on offer – a third think there is enough and a third think there is not enough
  - Members believe:
    - Funding of non-core training is the responsibility of State & Federal Governments, host employers and candidates but not recruitment and on-hire agencies
    - Providing non-core training is the responsibility of TAFE, Universities, host employers & private trainers



# Process

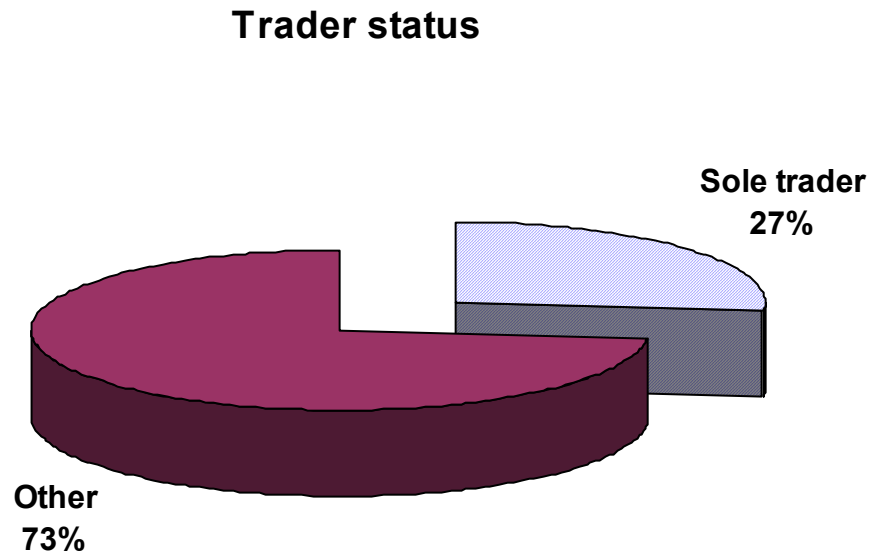
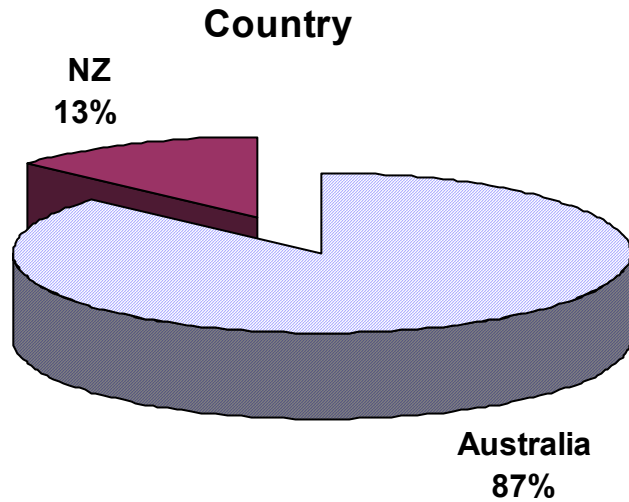
- Web survey
  - E-mail business heads in both NZ and Australia
  - 140 responses
  - Data collection began before Christmas and was completed in the last week of January 2003



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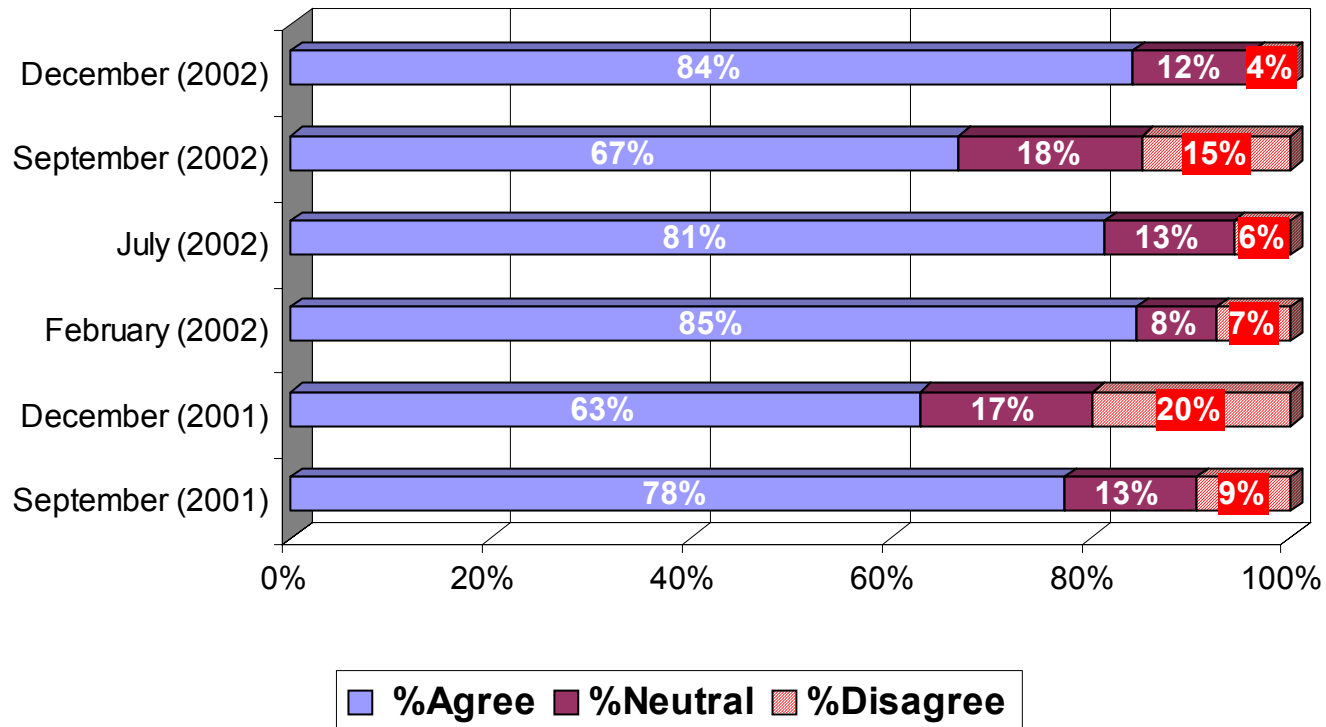
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# Demographics of sample



RCSA members are very confident their business will improve in the next three months.

### Confidence that business will improve in the next 3 months



Expected volume of business increase in the next quarter =7.2% up from 4.6% last round

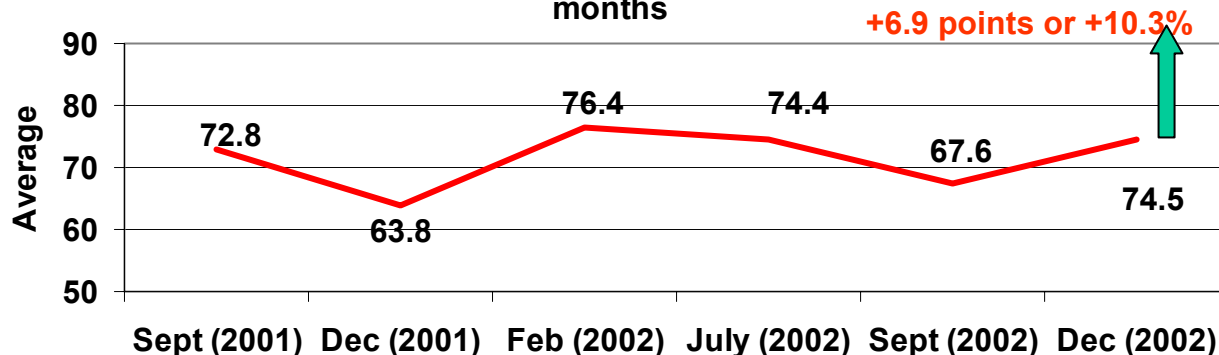


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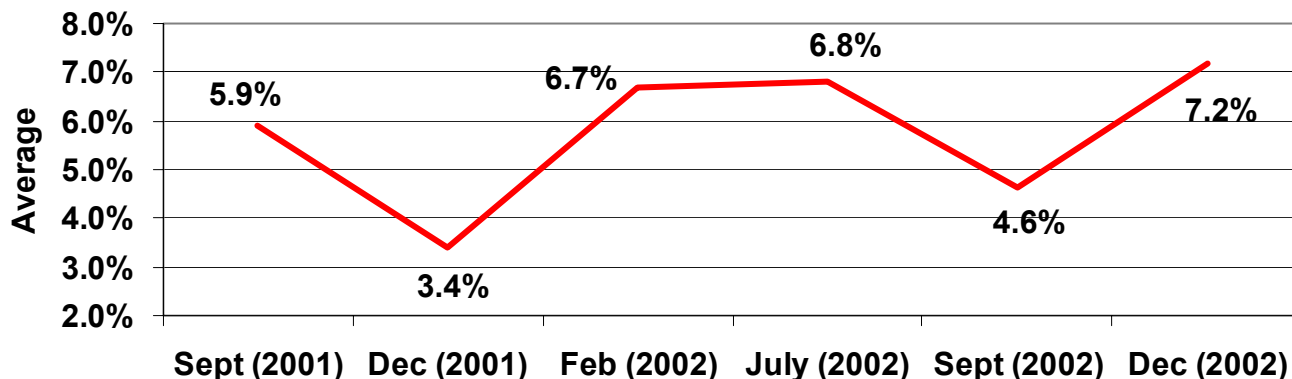
Business confidence has risen since September but remains in the 'zone' between 60 and 80. The expected growth in volume has increased to its highest level yet

I am confident that our business will improve over the next three months



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

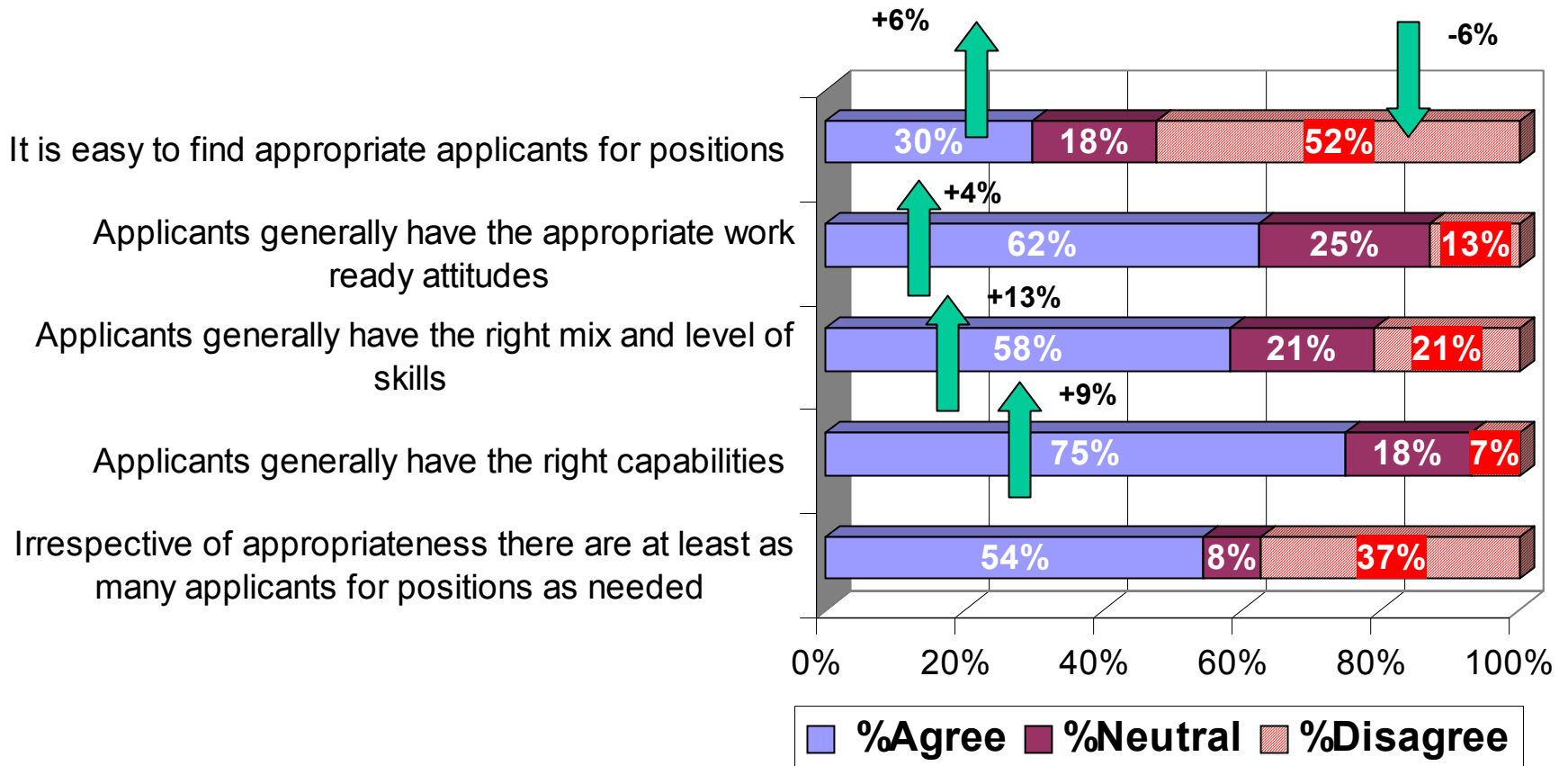
Volume (%) your business will change next quarter



# Confidence in the labour market has increased since the last survey

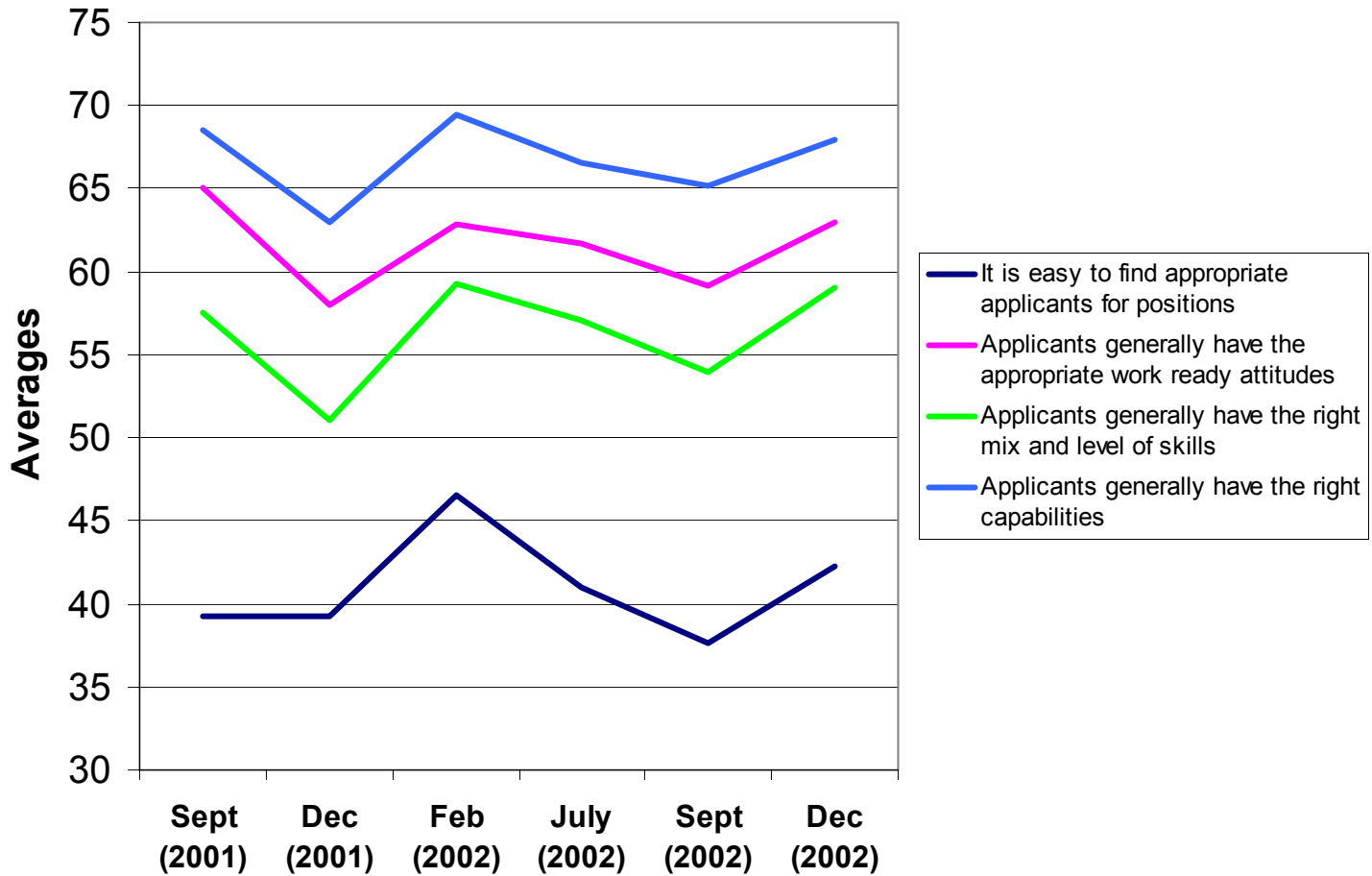
It is becoming easier to find appropriate applicants

## Labour market



# Labour market scores have improved again

## Labour market scores



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 similar levels of turnover as last quarter and are replacing fewer exiting staff

## Sept 2002

	Mean	Minimum	Maximum
Equivalent full time internal positions in your business (include yourself)	17.29	1	300
Internal employees who left your business in the last six months	2.04	0	31
Staff turnover 6 months - %	17.13	0	200
Internal employees who joined your business in the last six months	2.52	0	40
Staff growth 6 months - %	1.98	-150	150

## December 2002

	Mean	Minimum	Maximum
Equivalent full time internal positions in your business (include yourself)	14.26	1	450
Internal employees who left your business in the last six months	1.62	0	22
Staff turnover 6 months - %	18.66	0	300
Internal employees who joined your business in the last six months	3.63	0	200
Staff growth 6 months - %	7.38	-300	750



**VALUES BANK**

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

Industry sectors the greatest number of people placed in the last month are in Trades & Services followed by Health & Medical. Overall placements have nearly halved since last round

	Mean	Minimum	Maximum
Total number Placed	65.63	0	1200
Trade & services – total placed	15.68	0	372
Health & medical – total placed	13.92	0	1200
Logistics & supply – total placed	10.69	0	600
General Management – total placed	6.68	0	262
Logistics & supply – total placed	5.65	0	360
Marketing & advert – total placed	3.74	0	91
Hosp & Travel – total placed	3.35	0	260
Bldg & Engineering – total placed	1.89	0	52
Banking & Finance – total placed	1.04	0	7
IT & Telecoms – total placed	0.89	0	10
Legal – total placed	0.87	0	16
Scientific – total placed	0.69	0	6
Education – total placed	0.54	0	5



# The top 30 occupations are:

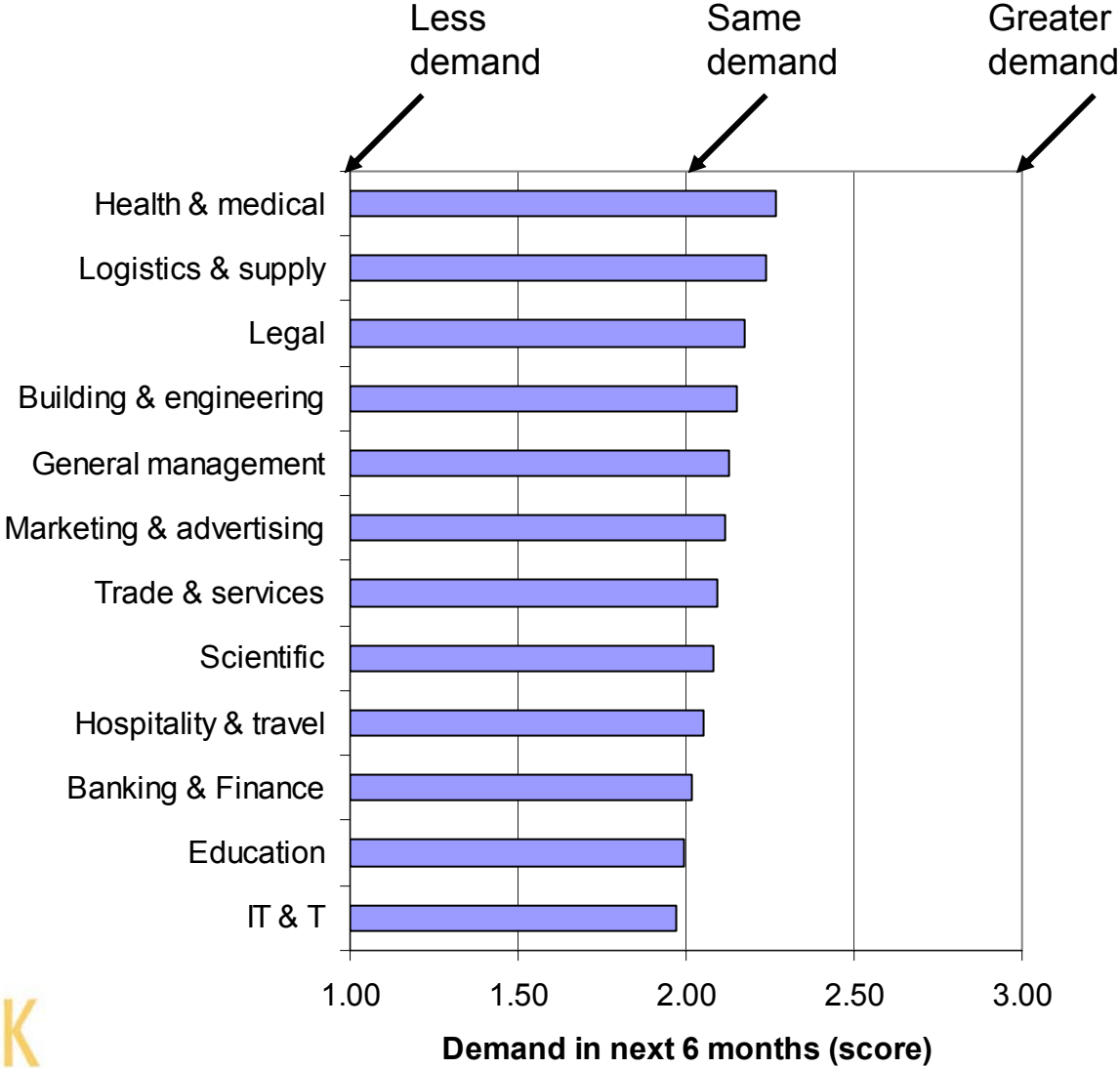
Nurses for local employment achieve top position. Numbers of people in each occupation have generally halved since last round.

	<b>Mean</b>
Health & medical - Nurses – for local employment	12.96
Trade & services - Labourers	5.35
Trade & services - Process workers	3.23
Logistics & supply - Stores people	3.10
General management – Clerks	2.43
Trade & services - Other manufacturing workers	2.15
Logistics & supply - Driver	1.94
Trade & services - Metal trades	1.85
Marketing & advertising - Call centre staff	1.68
Hospitality & Travel - Cleaners	1.65
General management – Secretary/PAs	1.58
Trade & services - Trades assistants	1.37
General management – Receptionists	1.13
Marketing & advertising - Telemarketers	0.86
General management – Chief executive	0.71
Banking & Finance - Accountants	0.71
Building & Engineering - Drafts people	0.65
Building & Engineering - Civil/structural engineers	0.64
IT & T – IT Project managers	0.59
Legal - Solicitors	0.59
Logistics & supply - Purchasing officer	0.59
Scientific - Scientists	0.55
Hospitality & Travel - Kitchen hands	0.55
Marketing & advertising - Public relations consultants	0.54
Hospitality & Travel - Hotel/motel managers	0.51
General management – Senior management	0.48
Health & medical - Doctors	0.47
Education - Principals	0.46
Marketing & advertising - Data entry staff	0.45
Health & medical - Social workers	0.45



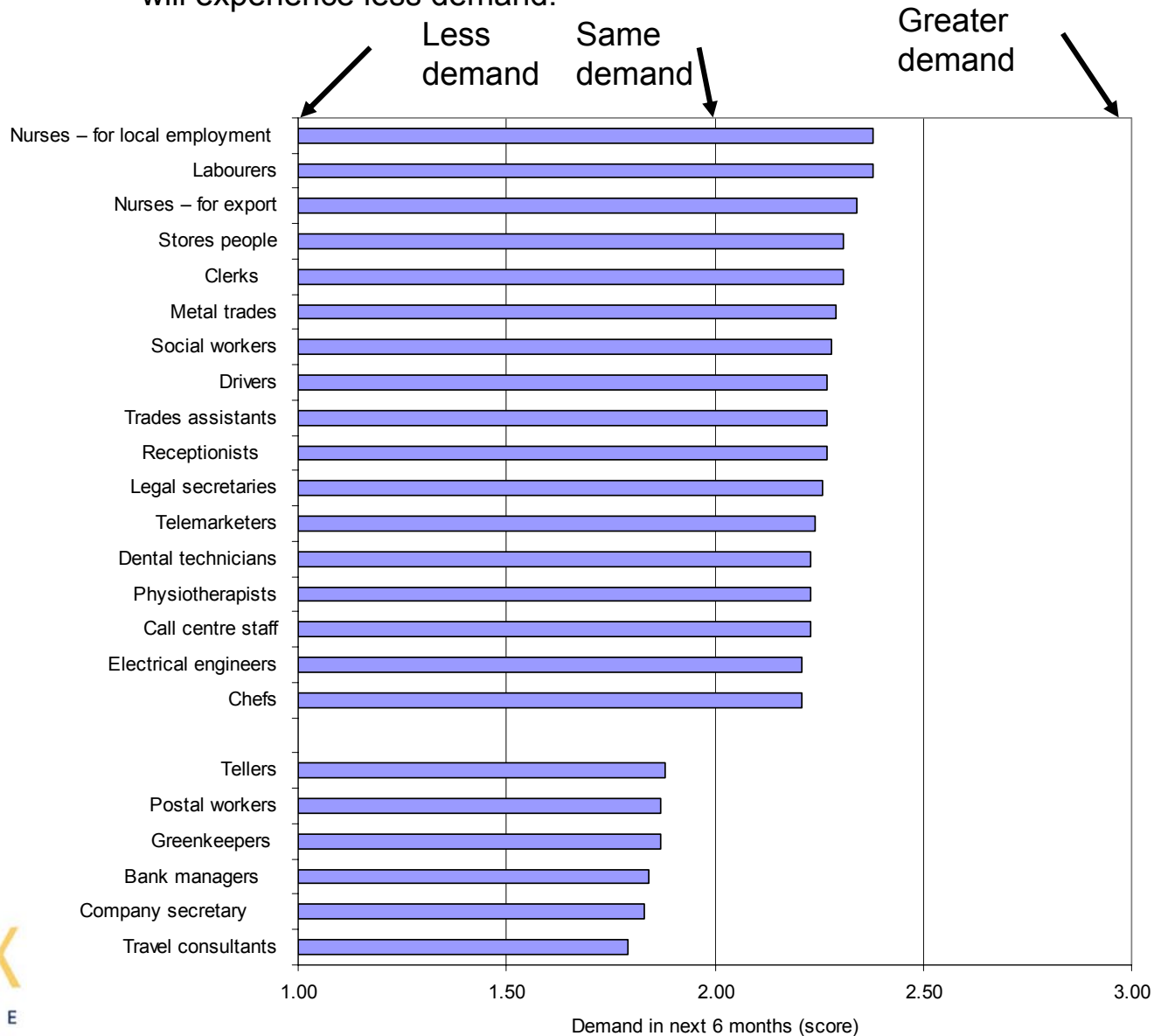
# Demand by industry

Employment in industries will experience moderate to weak growth in the next six months. The health & medical, followed by logistics and supply will experience the most growth.



# Demand by occupation

Employment in industries will experience moderate to weak growth in the next six months. Nurses, labourers, stores people and clerks will experience the greatest growth in demand while travel consultants will experience less demand.



# Staff placed and on-hired workers

## September 2002

	Mean	Minimum	Maximum
Number of staff placed on client payrolls by your business	49.21	0.00	2,300.00
Total number of on-hired workers you manage	230.34	0.00	4,239.00
Number of hours billed for on-hired workers by your business	18,257	0	600,000

## December 2002

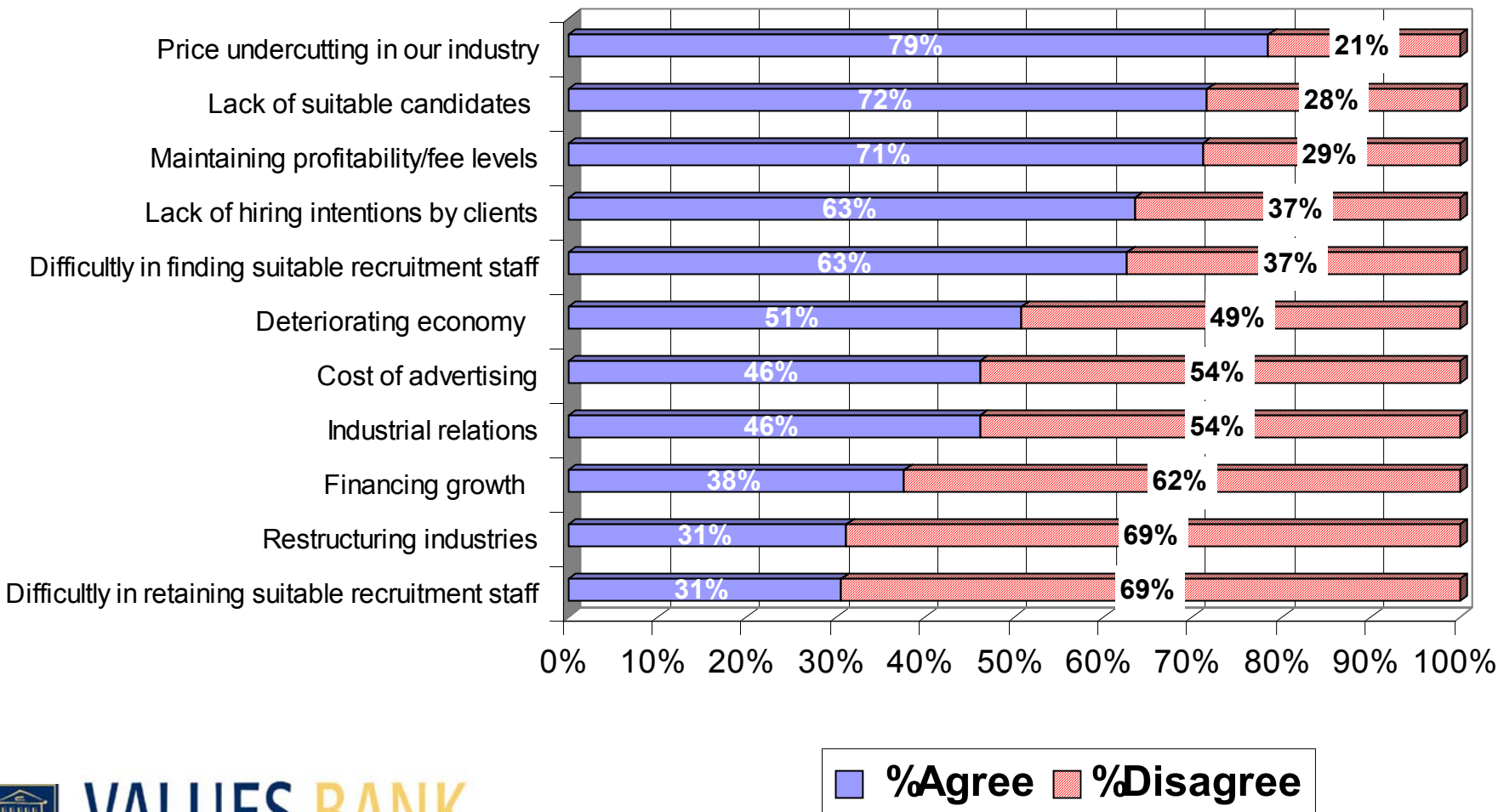
	Mean	Minimum	Maximum
Number of staff placed on client payrolls by your business	40.08	0	1,200
Total number of on-hired workers you manage	144.46	0	2,200
Number of hours billed for on-hired workers by your business	17,471	0	950,000



# Concerns for the present and near future

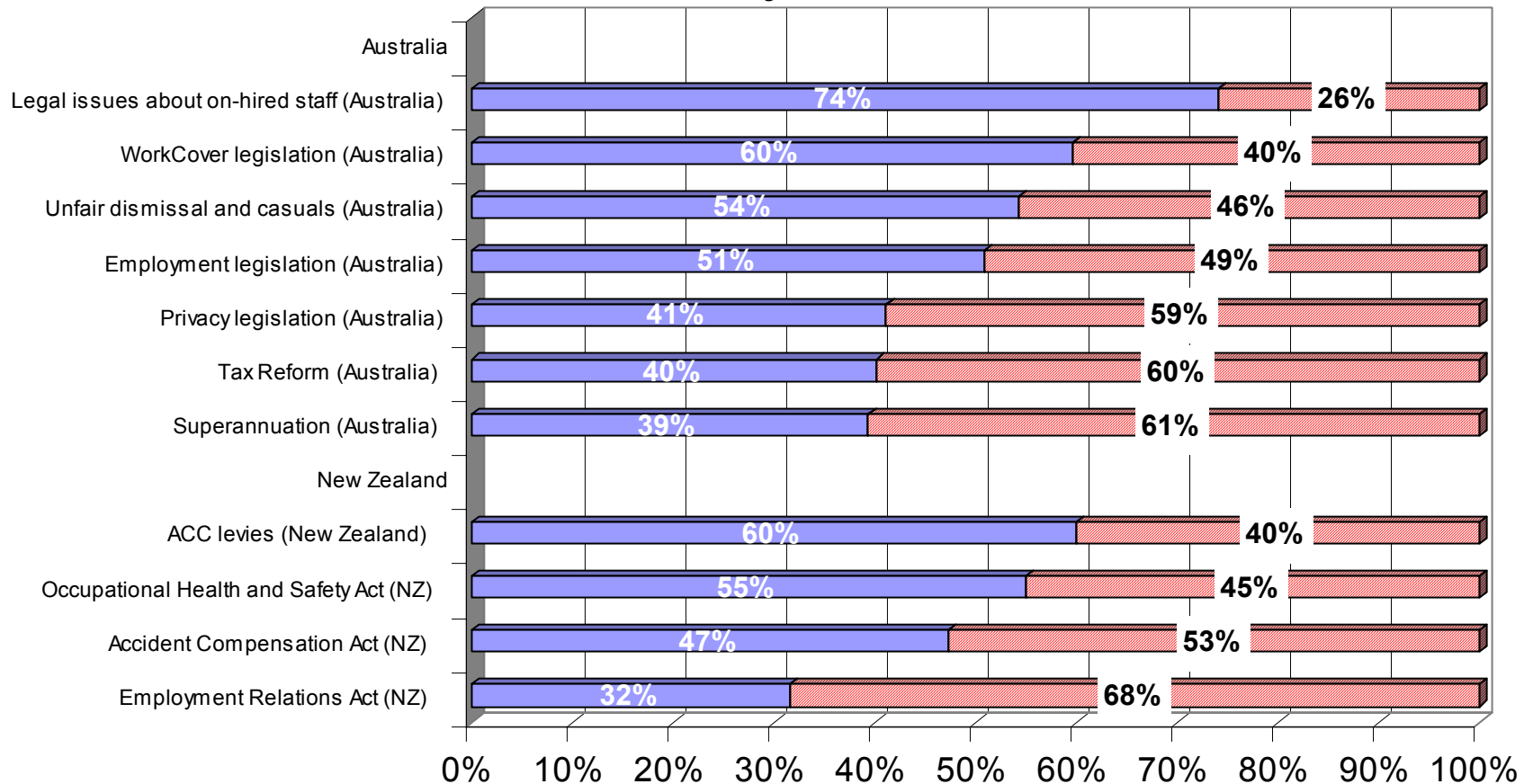
(all respondents)

Price undercutting is still the top concern and has decreased 3%. Concerns about lack of hiring intentions by clients has decreased 7%. Lack of suitable candidates remains stable in 2<sup>nd</sup> place .



# Concerns for the present and near future (National issues)

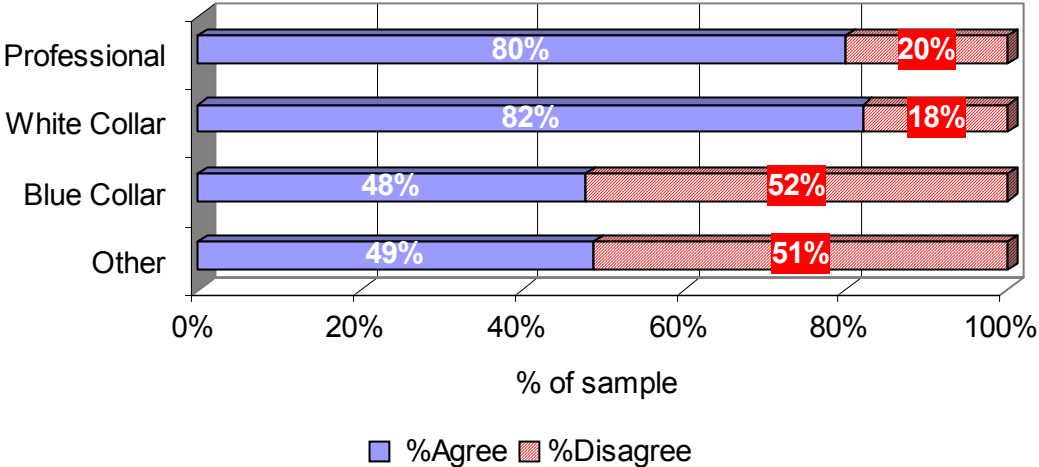
Legal issues about on-hired staff remain the strongest concern in Australia WorkCover concerns have replaced unfair dismissal (-10%) as second most concern. ACC levies in NZ are the major concern.



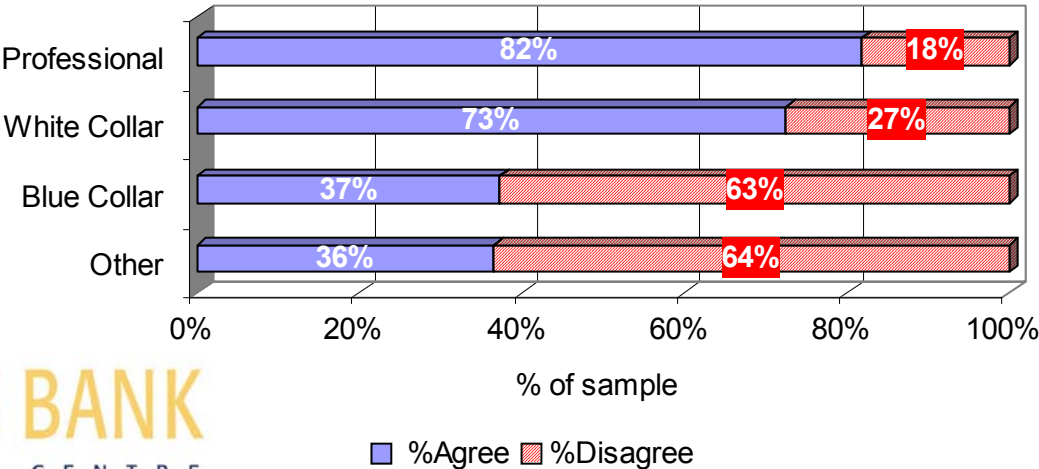
# Special section

# On hired employee and contractor services – professional and white collar placements are more typical than blue collar

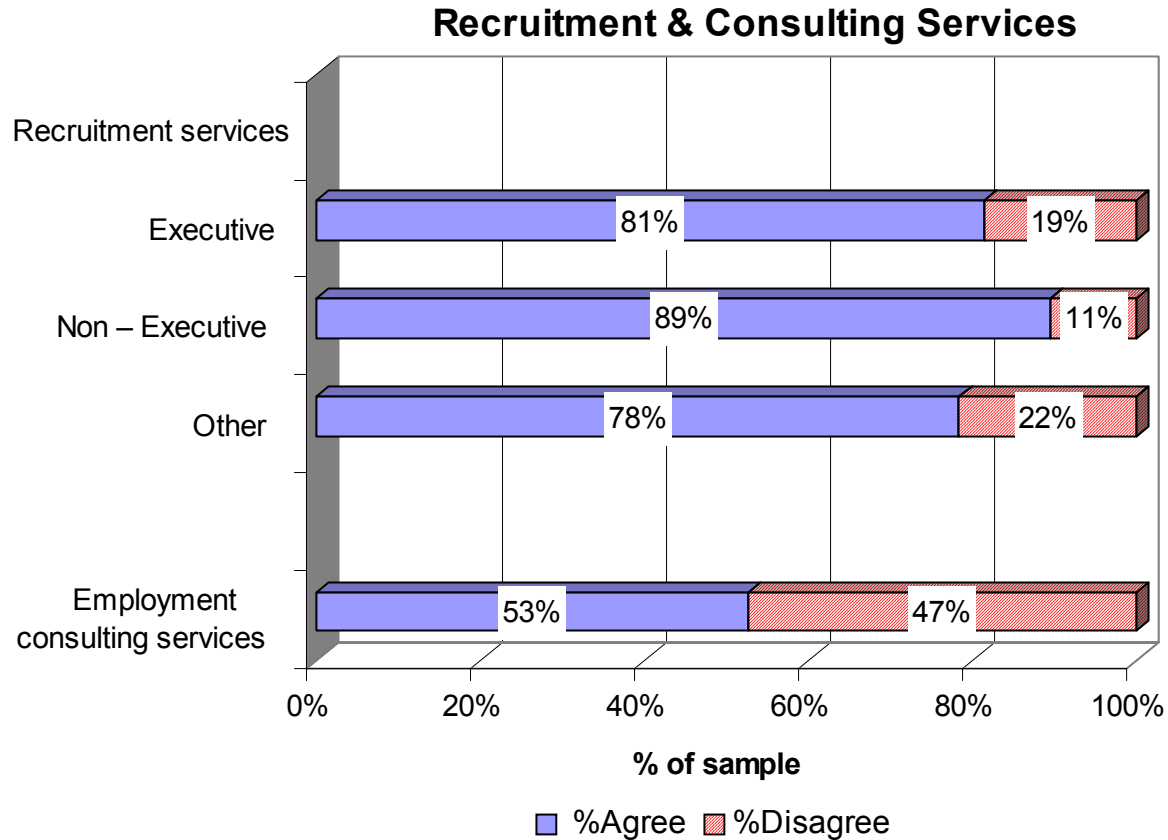
## Providing On Hired Employee Services



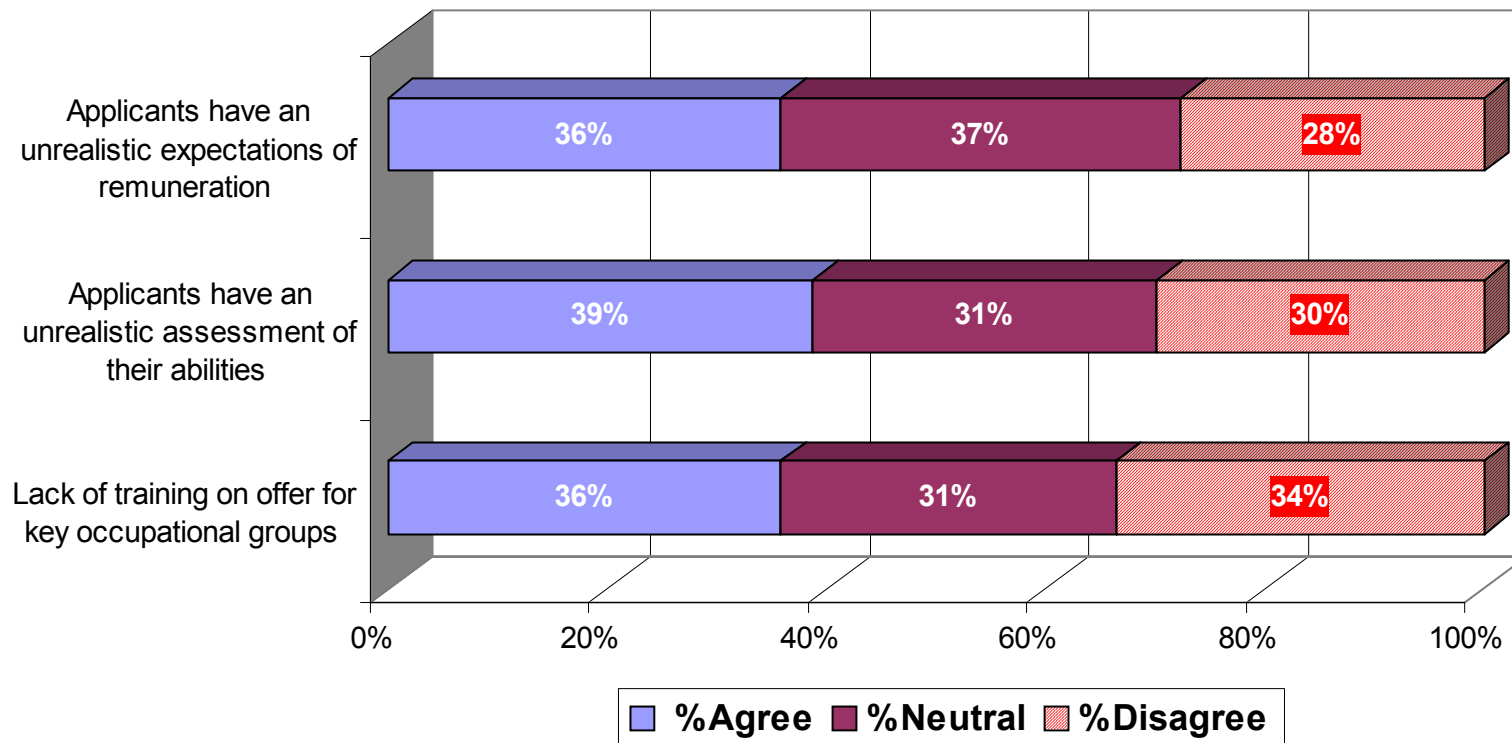
## Providing On Hired Contractor Services



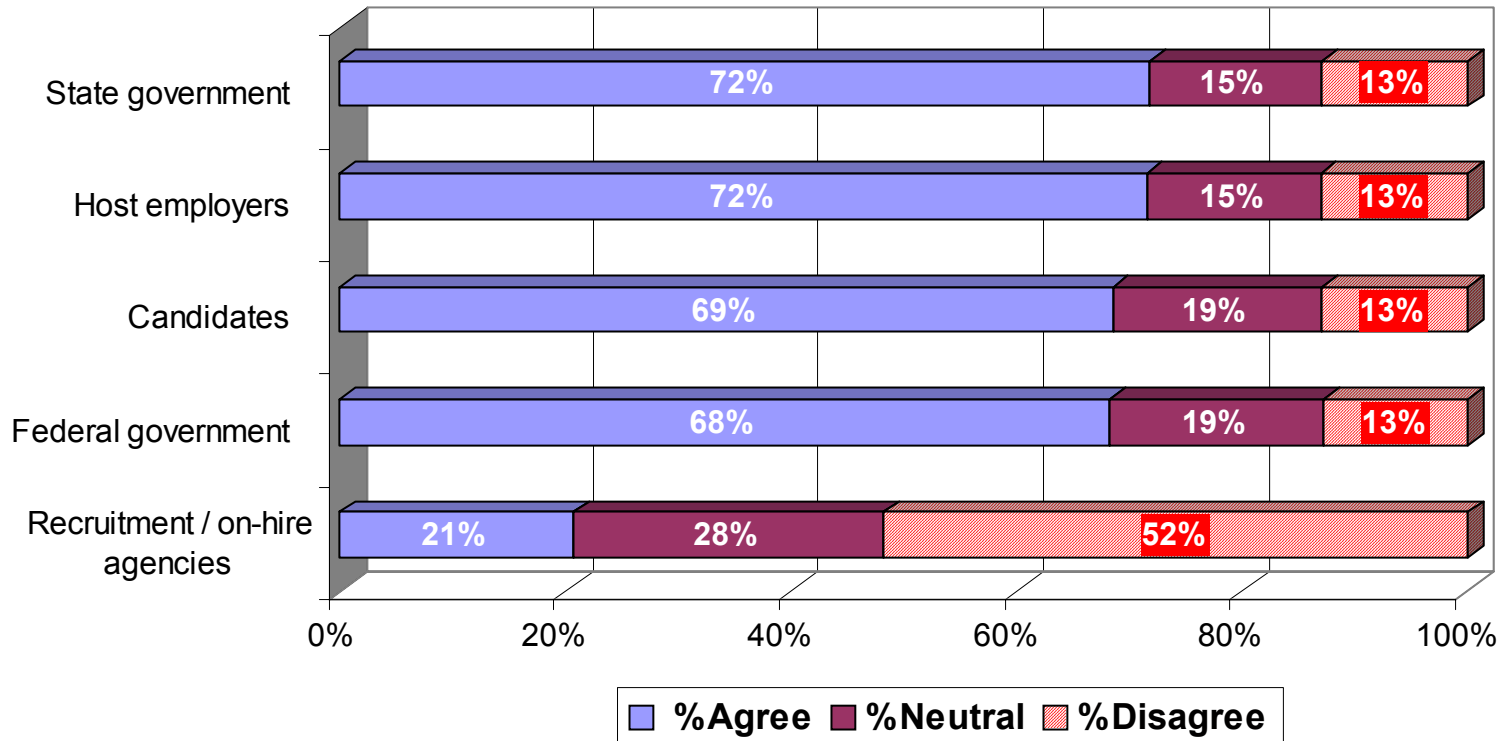
# Recruitment and consulting services



Members are neutral about candidate expectations about remuneration and their abilities They are also neutral about the availability of training for key occupations .



# Funding of non-core training is the responsibility of State & Federal Governments, host employers and candidates but not recruitment and on-hire agencies



# Providing non-core training is the responsibility of TAFE, Universities, host employers & private trainers

