

## CAREERXROADS 3<sup>rd</sup> Annual Source of Hires Study Covering Hiring Activity in 2003

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### I. INTRODUCTION AND ‘TOP NOTE’

It is our passion to understand how firms design and build staffing processes, the technology to enhance them and the systems to manage them. We want to know more about the field on which candidates and employers meet, about how they treat one another and whether or not any of the activities that we loosely term ‘staffing’ really make a difference to the (human capital) performance these same firms strive to measure.

This study, CareerXroads’ (CXR) third annual “Source of Hire” study, gets at only a small part of what we want to know and seek to influence. Data was collected between December 15, 2003 and January 9, 2004 covering the year 2003.

Our study goals are simple. We want to drill down to see how well companies measure *where* they get their hires. Not their prospects, not their candidates, not their applicants, but their bottom line – their hires! What is being tracked, measured and reported on? How much of what is measured is flawed? How is it flawed? How might it be improved? And, of course – just where do these hires come from?

We limited our survey to Full-Time Employees<sup>A</sup> (FTEs) hired in the USA during 2003. While we would love to have had firms of every size, shape and stripe participating, our focus is restricted by the firms we have access to – large, high-profile, highly competitive corporations. Even so, we further restricted the sample to firms that supply their responses during a 4 week period. Literally, they had to have real time access.

We also recognized that to get a high response rate, we needed to limit our questions. We could easily have asked 100 questions. We chose 23.

Finally, we wanted to contrast our 2003 data with our previous year’s studies.

At each step, creating the survey, collecting the data and reporting the results in this whitepaper, we endeavored to document and disclose as much as possible about the survey participants and their responses so that you, the reader, could assess the context of both the questions and the answers and arrive at your own conclusions. While disclosure is a primary goal, we could not compromise our respondents need for anonymity.

Follow up conversations are expected and encouraged. You’ll find us at [www.careerxroads.com](http://www.careerxroads.com) or via [mmc@careerxroads.com](mailto:mmc@careerxroads.com). (See the footnotes for additional data about the authors)

We wish you Good Hunting!

Gerry Crispin, SPHR and Mark Mehler

January 19, 2004

## - TOP NOTE: A LEADING INDICATOR

We believe our annual 2003 Source of Hires survey is an indicator of things to come and not a representative sample of where the typical firm is sourcing their hires. The reason is that the companies responding to our survey invitation didn't just have their staffing metrics lying around where, quite literally as the year ended, they could pick out the answers to our survey questions and send them in.

They had to have already developed the capability to respond. Sixty-five percent of this year's survey participants have dedicated staffing metrics professionals (another 22.5% assign staffing metrics responsibilities as needed). It is therefore not unreasonable to infer that these are among the very few firms in the USA able to change and adjust their investment decisions about staffing sources based on informed choice- not anecdotal evidence. These are among the very few firms who are not just passionate about measuring their results for a survey but to continuously improve what they do.

By completing this study start to finish in four weeks, these results serve as a bellwether to others and, if you listen closely, you'll hear several tolls of warning about rough weather ahead.

- 35% of all open positions are filled by internal transfer and promotion.
- 60% of all External Hires can be attributed to just two 'Channels'- Employee Referrals & the Internet and these are continuing to grow. By 2005 these sources may account for 3 out of every 4 hires.
- The Internet and an expanding reliance on employee referrals have put additional pressure on Newspapers and Third party recruiting.
- Employers measure hires from their company's website as a 'source' rather than view it as a prospects 'destination' before becoming a candidate. This is increasingly a serious mistake as this 'source' represents 67.9% of the Internet Channel.
- The Online application, as a primary Method for collecting source of hire data is inadequate. Firms need to map a path to their door rather than accept the people they find at their doorstep or assume there is only one source for each hire.

If we could, we would love to profile just one firm of the more than 41 companies that responded to our survey. We would highlight it as representative of them all. If we could, this firm would likely be cutting-edge in its use of technology, express a passion for metrics and a commitment to analyze and improve its practices. It would be large enough to have employees in nearly every state in the USA. And its divisions would sell products or provide services in telecommunications, retail, consumer products, food, banking, pharmaceuticals, defense and computers.

If it had a demographic profile, it would look something like this:

<p>Total # of Full-Time Employees (worldwide): 91,000 Employees in the USA: 70,000 Total # of USA Employees that 'Staffing' can track: 26,000</p> <p>Total # of FTE USA Positions filled in 2003: 9,500* * Includes 2500 Internal Positions Filled *Includes 7000 External Positions Hires (Proportion of exempt to non-exempt/hourly hires- 30/70</p> <p>More positions were filled in 2003 (6%) than 2002 Slightly fewer positions will be filled in 2004 (-2%).</p> <p><u>SOURCES of EXTERNAL HIRES</u> INTERNET 31.8% EMPLOYEE REFERRALS 28.5% NEWSPAPERS 3.8% CAREER FAIRS 2.8% DIRECT SOURCING 2.6% COLLEGE 2.4% THIRD PARTY RECRUITERS 1.2%</p> <p>Of the HIRES from the INTERNET 67.9% from Company Website 17.6% from Niche Sites Other than (Monster – 8.7%, CareerBuilder – 4.1%, or Hotjobs – 1.8%)</p> <p>27% of all external hires are from OTHER SOURCES than those noted above</p>
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Of course this company doesn't exist. Averages simply don't tell the whole story – especially when you are examining how 41 firms filled more than 275,000 positions.

But on another level, personalizing the data helps. So,

...as an employer, think about your own results and how they compare to this 'profile'. How would your recruiting budget change? How good is *your* data?

...as a supplier of services to the corporate staffing community, think about how this imaginary profile perceives you – if at all. Are you contributing to either measuring their results or achieving them? How do they know? How will they know if you improve their results?

...as a job seeker, think about the most likely route into this firm-with-no-name. What tools do you need to enhance your strategy? What additional data would help you make better choices?

Here then are the results of our study, our comments and conclusions.

## II. RESULTS

### A. METHODOLOGY

At the beginning of the second week of December (2003), CareerXroads (CXR) invited 130 high-profile, mostly large (Fortune 500) corporations<sup>1</sup> to complete our 3rd annual “Source of Hires” survey questionnaire<sup>2</sup>. The emailed invitations<sup>3</sup> were sent directly to individuals with overall corporate staffing responsibilities (or with direct access to their company’s ‘Staffing Leader’). All emails were addressed to individuals personally known by the principles of CXR, Gerry and Mark.

A reminder was sent two weeks later and, by the first week in January, 49 firms had responded to our invitation.

Of the 49 responding firms, five replied via email that they could not complete the survey because they had no data (or were not likely to collect the data we needed in the short term). One of the five indicated that their company policy would not allow them to tell us (even if they had their results – which they didn’t. Perhaps they felt that sharing sources would somehow compromise their competitive edge. lol )

In the final analysis 44 companies answered the 23 questions we posed but only 41 provided comparable data about Source of Hires<sup>4</sup> and, even so, not every survey question was answered by every responding firm forcing some adjustments in our calculations to minimize bias. These are reflected in our comments below and in the footnotes at the end of this whitepaper.

(We promised the 130 firms that we would not disclose or confirm any company as having participated although we generally describe characteristics of the survey respondents).

Our Response Rate was 33.6%<sup>5</sup>.

### B. CONTEXT: WHAT GETS COUNTED?

Initially, when we asked, “How many positions did you fill in 2003?” 41 firms told us - 256,044<sup>6</sup>.

However, 26 of these companies then indicated that internal transfers were included in their reported hires’ while 15 advised us that this wasn’t so. Instead, this latter group considered ‘internal movement’ (transfers) separately. (All but 1 firm subsequently offered a number for their internal hires). Definitions truly are important and it doesn’t hurt to check for understanding.<sup>7</sup>

281,189 FTE positions in the USA were filled by the 41 responding firms in 2003<sup>8</sup>

Table 1 below shows the relationship of internal to external hires based on figures from 40 firms that could differentiate both internal AND external hires. The relationship has been similar the last two years. We believe it will increase to 40% by 2005.

Table 1. Internal VS External Positions Filled

Positions Filled	% 2003	(%) 2002 <sup>6</sup>
Internal	35.5%	34.2%
External	64.5%	65.8%
Total	100%	100%

216,315 External Hires were reported for 2003

The sample of companies in the study is small but we would argue that the hires they represent approaches 1% of all annual hires in the USA.<sup>9</sup>

More importantly, is what 15 of the respondents tell us by *not* automatically including internal transfers as part of their definition of hires. Some firm's staffing organizations, we believe, are simply not involved in internal movement (let alone workforce planning activities). Other firms view internal transfers as an essential part of their staffing performance.

The trend toward central coordination of hiring 'strategy' especially among large firms with expensive systems (even including worldwide coordination and integration) is a critical business initiative. We hear this in meetings and see the number of firms able to respond as slowly but consistently increasing each year. But, full responsibility and accountability for ALL staffing whether strategically under a centralized structure (or via a networked and decentralized one) will not be common before the end of the decade.

Additional support for our contention that reported hiring activities are not all the hires there is to report comes from the answers to our request to "estimate the total number of employees that your hiring efforts cover."

Reported estimates ranged from "15%" to "All".

Respondents estimated they were responsible for 1,113,336 positions.

Said another way, during 2003, the staffing organizations of 41 companies filled 281,189 positions and had the additional responsibility for filling ANY of more than 1,113,636 positions – if they had come open.

While it would be inaccurate to depict the proportion (25.2%) noted above as turnover<sup>10</sup>, the figure does give a sense of scale to the 'churning' that took place during the year.

But were there even more hires that will go unreported? Yes, we believe so.

The worldwide employee population of the firms responding to our survey is approximately 3,746,000.<sup>11</sup> The “US only” portion couldn’t be broken out to provide an accurate accounting for this study but, we think it reasonable that at least 80% of this number is employees based in the USA. We estimate that a typical firm’s corporate staffing function manages, audits or tracks 1/3 to 2/3 of their company’s actual FTE hiring activity.

#### - CONCLUSION:

Underlying the “Source of Hires” results is a broad potential for error and it is important to acknowledge the fact that the hiring activity for ALL the hires in a firm is probably not tracked, analyzed and reported consistently by a single entity. Internal movement and restricted company population coverage are simply two of the differences in how firms define their roles and their territory and, where potential for error is significant. We attempted to avoid another problem by asking for an accounting of full-time hires only rather than adding in the complication of contract, part-time, contingent, PEO, etc. And just considering the problem of how a hire might differ across international boundaries (independent of whether the data is accessible) is a sure fire route to a migraine.

Internal trends to centralize coordination, implement standard processes and procedures and invest in system integration will improve the quality of the data we collect but it is only the adoption of staffing industry standards (definitions, methods of collection, metrics, etc.) that will move this effort forward rapidly.

#### C. CONTEXT: DID WE HIRE MORE? WILL WE?

##### - YES - 2003 vs. 2002

Of the 38 firms able to compare their 2003 and 2002 hiring results, 22 (57.9%) said they “increased” their hiring, 8 (21.5%) decreased and 8 (21.5%) hired the same number.

##### - NO - 2004 vs. 2003

Of the 34 firms that offered estimates about their hiring expectations for 2004 (compared to 2003 results), 10 (28.6%) said they planned to increase their hiring, 14 (40.0%) said they would decrease and 11(31.4%) indicated they expected no change.

In addition, we compared the 34 firms that offered 2002, 2003 and 2004 results or predictions. These firms had increased their hiring 6% from 2002 and expected it to drop 2% in 2004.

As an interesting side note from our study last year, we asked these same questions. In 2002 the respondents reported a 30% drop in hiring over 2001 but predicted that hiring would increase by 11% in 2003. A quick comparison of the several firms that participated in both surveys supports the predictions made a year ago.

**- CONCLUSION:**

The survey sample is so contrary to pundit predictions that an economic upturn will translate into an increase in hiring that we wonder if our sample is just not representative. However, these firms may be accurately reflecting the continuation of an upturn predicated on the productivity gains alone and support the position of a jobless recovery. We think this latter explanation the more likely and especially considering the size of the firms. Job growth will come from the small firms.

**D. TRADITIONAL VS INTERNET SOURCES OF HIRES**

CXR requested hiring results for Career Fairs, Direct Sourcing<sup>12</sup>, Employee Referrals, Newspapers, College and Third Party<sup>13</sup> sources as well as specific Internet channels.

*Only EXTERNAL hires were used for comparison purposes.*

No ‘rocket science’ is necessary to see the continuing growth of the Internet or Employee Referrals as dominant sources- Table 2. Conversely it is important to note that their growth means a decline elsewhere.

Table 2. Source of Hires – Traditional VS Internet

Sources	2003 (%)	2002 (%)	2001 (%)
ALL Internet	31.8	27.0	20.5
Employee Referrals	28.5	26.6	23.3
Newspapers	3.8	4.8	
Career Fairs	2.8	3.2	
Direct Sourcing	2.6	N/A	
College	2.4	N/A	
Third party	1.2	N/A	
<i>Other</i>	26.9	38.4	
<i>Total</i>	100%	100%	N/A

**- CONCLUSION:**

While the trends here may be inescapable, their meanings are not. Given the advent of additional tools like social network applications being adopted in 2004 by jobseekers to obtain referrals, it is easy to imagine 3 out of every 4 hires coming from just two sources within 1-2 years. By then, however, an emphasis on the quality of hire by source and how to differentiate it will be critical.

We also suspect that the Internet impact is actually under-reported. Many of the hires attributed to “direct sourcing” of candidates, for example, may be based on mining online resume databases.

**E. SOURCE OF INTERNET HIRES**

We asked companies to report the number of hires resulting from 3 specific sites: Monster.com, CareerBuilder.com and HotJobs.com as well as *All Other* niche job sites. We also asked them how

many hires they credited to their Company Website *that could not be attributed to other sources*. This last result is a source (pun intended) of an enormous potential problem. For suppliers, it offers an excuse as to why their results are not higher and for employers it simply confuses ‘source’ with ‘destination’ – both important elements in examining the staffing process but not the same thing. Nevertheless, companies measure it, make decisions to invest in improving their website and, will make decisions in 2004 about which external internet sources they will use based to a great extent on the results they have measured in 2003 flaws and all.

Not every company tracks every source of hire. We chose to measure each independently. This means that in one case we might calculate the result of a source for 30 firms but ignore 11 firms that didn’t or couldn’t report a result so as to avoid offering a “0” result. Another source may have had 36 results on which to base its comparison. We believe this slightly but artificially increases the impact of some sources (and slightly decreases the “other” result) but, we were careful to ensure that the relative weighting of sources is valid as reported below.

The Tables (3 & 4) below show the effect of Internet sources reported as a percentage of Internet Hires and as a % of all External hires. Since the impact of the Internet is increasing year after year, the numbers in Table 4 would, naturally, add up differently.

Table 3. Internet Sources as a % of the ALL *Internet* Hires

Source	2003	2002	2001
	% Internet	% Internet	% Internet
Company Web Site	67.9	57.7	62.0
Other Niche Job Sites	17.6	20.8	24.0
Monster	8.7	14.0	9.0
CareerBuilder	4.1	5.6	2.5 <sup>12</sup>
HotJobs	1.8	1.9	2.5 <sup>12</sup>
Totals	100%	100%	100%

Table 4. Internet Sources as a % of the ALL *External* Hires

Source	2003	2002	2001
	% External	% External	% External
Company Web Site	21.6	15.6	12.9
Other Niche Job Sites	5.6	5.6	4.7
Monster	2.8	3.8	1.9
CareerBuilder	1.3	1.5	.5 <sup>12</sup>
HotJobs	.6	.5	.5 <sup>12</sup>
Totals	~31.8%	~27%	~20.5%

- CONCLUSION:

There is no question that job seekers start somewhere *other* than the company website. Still, there is also no question that an employer wants the job seeker to make their company website the final

destination. The only real question here is *when* employers will begin tracking the *route* a job seeker takes. Who will be the first to provide the automated tools to enhance this process? Several parties have a vested interest. None of them are sufficiently organized to lead the industry into standardizing the measurement of best practices for sources of hires.

To add one brickbat to the collection of source of hire data, we tried to look under the hood and asked...

#### F. HOW IS 'SOURCE OF HIRE' INFORMATION COLLECTED?

Of 5 possible responses, the one companies indicated most frequently chose as their primary method of collecting source of hire data was the online application as shown in the Table below.

Table 5. Methods of Collection

Method	
Onboarding - New hire self-report during orientation	(3) 7.7%
Online - Candidate response to online application	(24) 61.5%
Interview - Recruiter Inquiry during site visits	(4) 10.3%
Guess by staff	(2) 5.1%
Other	(6) 15.4%

#### - CONCLUSION:

The difficulties encountered in accurately determining Source of Hire from (typically) a fixed set of choices are these.

- Choices tend to be limited in number (5-8)
- Choices tend to be generic (newspapers rather than a specific name, i.e. The New York Times)
- Choices are defined by employer's needs and sense of neatness (pick one) rather than the candidates reality (neighbor mentioned he saw an opening at X, I went online from work at noon, checked that it was on the jobsite, surfed to the company website in the evening from home where I applied and then sent my resume to another neighbor who works at the company and asked him to hand it to the hiring manager)
- Choices emphasize 'Destination' (company website) over stops along the path to the destination (neighbor, jobsite, company site, employee).

A (technically) dynamic intranet-based survey asking new hires to detail Source of hires in detail during their onboarding process we believe would be ideal but it is also an approach that very few have implemented.

### III. SUMMARY & FINAL THOUGHTS

This isn't a typical whitepaper. Nor is it in anyway an academic effort (If it were you would be reading about our speculations using data that was 3 years old).

We wanted to share our experience about the problems of examining results as much as the results themselves. We wanted to offer a different level of disclosure in an effort to shed some light on a small but critical aspect of the staffing process. Timing, sample size, organizational design, collection methods, common standards of terms as basic as 'hires' and more are all potential sources for error. We are passionate about challenging our readers to think about their own role in the problem as well as the solution and suggest the following:

#### A. EMPLOYERS

Companies that cannot fill at least 1/3 of their open positions via internal movement need to attend to succession planning, "employee bidding" and retention programs or face the full impact of increased turnover and loss of critical talent. Emphasis on measuring quality as well as quantity is even more important with these programs because of the investment in existing employees.

Employee referrals have continued to grow enhanced by hiring system technologies. Another third of your staffing strategy is dependent on your employees being as engaged by your search for talent as you are. This channel is positioned to explode as new technologies enabling vastly improved candidate networking applications reach the marketplace but there is a dark side. The very success of employee referrals actually dilutes its perceived (and maybe even real) value as the means of acquiring quality hires. Firms must not only learn to track referrals accurately but they must also differentiate the relationships between the referrer and the candidate he or she refers. Higher levels of employee referrals must also be examined and marketed to enhance diversity hiring lest flawed assumptions lead to the opposite result.

Traditional hiring sources will inevitably develop stronger and stronger online components. The gray area as to whether a Career Fair is a real event or a simulation for example may someday (not today) be truly blurred. But don't overlook the fact that the pendulum will swing somewhat as folks discover the amazing edge that can be achieved by actually meeting someone in the real world. The critical question to continually assess is whether the experience of the prospects whose skills you seek is competitive when mining a particular channel.

Finally, your website is a destination, a marketing platform to make your case not a primary source. Ask your new hires for help in mapping the most likely paths to how they found you. Work with your vendors to automate how you measure them.

#### B. JOB SEEKERS.

Your primary strategy is to a) apply through the website of the firms you targeted regardless of where you found the lead and, b) track down an employee who can refer you *in every single firm*

*you apply to, for every single job you apply for.* If it takes you more than five minutes to do this then find and pay someone to teach you how to do it.

Do not ignore the channels that have low probability. Just understand that your efforts and priorities must be proportional. Behind the scenes, professional associations – their connections, their directories, their leads, research and events are your single most important resource, and more so every year.

### C. SUPPLIERS

Finally, to the commercial sources we have one thing to say – metrics rule. Measurement will drive each and every decision. Anything you offer that isn't based on results is a windfall you will eventually lose to a more metrics driven competitor. Your products and services must respond to the three 'voices' below – demands we constantly hear from the employers, job seekers and yes, suppliers as well.

#### - SHOW ME THE HIRES!

More hires! Better Quality Hires! Competitively priced hires! But hires! Save your breath about features your investors found enticing before your firm had a single client. Employers want to see how the service you perform converts to hires. Yes, you may be claiming that you can help screen better quality in addition to being a source. Great, but if you claim to be a source, how many was that? Measurement of anything else is just...a number. And numbers have all kinds of problems.

#### - GIVE ME FEEDBACK!

Job seekers are incredibly angry with employers about not knowing their status as a prospect, as a candidate, as an applicant, as a finalist. If every 'customer-centric' designer claiming to offer a positive job-seeker experience were lined up in one place for inspection, it would be the job seekers not employers that would be thrilled at the prospect of not having to track them down one by one (and it wouldn't be to thank them).

Employers are rapidly learning that their website is extraordinarily valuable (and they will soon discover that its value has nothing to do with where the job seeker began his or her journey). They will realize that a true source is responsible for filling the funnel not managing what comes through it. However, if your service intends to help employers manage job seekers' experiences in the hiring process then be prepared to handle ALL the job seekers – not just the ones that are qualified. When you solve the problem of how to make a customer out of an applicant who *didn't* get the job, you will be the standard to beat- not chasing the next fleeting trend.

#### - TRUST ME!

A supplier's credibility in the marketplace is its most valuable asset and we do not believe anyone is adding to their net assets in this category. Why should we? The 'noise' is deafening. We truly doubt that suppliers have a clue about what their prospective customers really need or want to know- that will lead to trust them. If you want to make a start, we are willing to state unequivocally that if any supplier can find five clients who will share how many hires they made in 2003 using

their service and then publish those results on their home page, they will strike a more powerful chord with their prospects than anything else they might do. Wait long enough and we'll do it for you but that won't be a good thing. Secondly, ask what privacy really means to employers and job seekers and then honor their request. Sound simple? Let us know when you've achieved it and we'll help you publicize it.

#### IV. FOOTNOTES

(A) We did ask "how contingent, part-time and other non FTE hiring was managed and tracked" and, even though we excluded any numbers from this study 38 firms responded as follows:

15 or 38.5% of respondents said: Decentralized -No data

8 or 20.5% of respondents said: Decentralized & Tracked

9 or 23.1% of respondents said: Centralized under one master contract (i.e. outsourced)

7 or 17.9% of respondents said Centralized & internally managed

(1) CXR has developed relationships over the last decade with 130+ corporate staffing functions of large, typically high-profile, high-volume firms. Many of these employment professionals participate in best practice meetings conducted by CXR throughout the year. A sample of the firms that were invited to respond can be found at

<http://www.careerxroads.com/news/WhatsHotWhatsNot.html>.

Only one firm in the survey had fewer than 2500 employees and we left its responses in because its data was representative. Most firms were over 25,000 employees

(2) The "2003 Source of Hire Survey" questions can be found at [www.assessa.com](http://www.assessa.com). Go to the window in the left margin of the web page marked "survey ID" and type the following: WIN1291AM

This "2003 Source of Hire Survey" Whitepaper is at <http://www.careerxroads.com/2003sourceofhire>.

(3) Email sent inviting participation:

Subject: CareerXroads Annual Hiring Survey

The 2003 survey consists of just 26 questions, all multiple choice except for several questions asking for 'numbers' (and the first 3 questions are asking your contact info). 'The 'number' questions range from asking for your total (internal and external) hires in 2003 (to-date) to how many hires came from 'monster' or your 'company website' or 'career fairs'. Some sources you may not track and that's fine- just indicate 'N/A'. Some sources you may have a great estimate for but can't pin it down to the exact number. Give us an honest estimate if you can. Put N/A if you can't.

Some of you will prefer not to participate (2003 survey is being sent to 130 corporations) and, while we would love to get an even higher participation rate, we simply would appreciate, if at all possible, a comment back if you can't - something like 'won't have data for months', 'data all over the place- too labor intensive to get it', 'not the metrics we track', 'management direction is not to share info under any circumstances', etc. This helps us understand some of the metric trends. Year to Date hiring results are fine as we wish to publish the report in mid January. We would prefer you complete it online because the resulting data is automatically loaded on a spreadsheet.

As always, no data you provide us will be directly connected to any firm. Only aggregate data will be published. We will not release the names of the firms supplying data. In the past we've simply described survey participants as being Fortune 500 in size. Survey participants will be the first to receive the results and our commentary. The aggregate data will eventually be part of a white paper placed in the public domain- not sold for profit.

(4) Three more respondents completed the survey by typing "N/A" wherever data was requested.

(5) Our calculation was based on 41 (useable survey responses)/122 (eight firms essentially 'opted-out' of the 130 total by declaring they had no data).

(6) The technique of asking for a core stat "Open Positions" and then forcing the respondent to check consider what is included was done purposely.

(7) We later determined that two firms had included 30,000 and 7,000 part-time hires among their results. We removed these.

(8) In 2002, 22 firms responded to the survey representing about 150,000 hires. Some of the same firms respond each year but the survey base continues to expand- especially as firms acquire the means to track their metrics in real-time.

(9) BNA estimates that 140,000,000 Americans are at work in the USA (give or take) with an average turnover of 20%. If 1 in 5 change jobs and companies each year, the 200,000+ external hires in our survey represents just less than 1 % adjusting for 10-20 million contingent, part-time or self-employed workers included in the 140 million figure.

(10) Turnover is a very different metric and reflects both voluntary and involuntary separations carefully measured at two specific points and requiring even more strict definitions of employees than we accept here.

(11) The total population of the firm wasn't a survey question and, we just took a quick look at online and print sources to estimate a global number along with a sense that total USA employees while a smaller number than global was still a multiple of the staffing 'territory' reported.

We did ask however:

"Perhaps you hire for all employee positions throughout your entire firm- or only a portion of it. Please estimate the total number of employees that your hiring efforts cover (or as a % of the total US employee population). We hoped to get the # of Employees this survey data covers. Responses ranged from '15%' or the equivalent in numbers of employees to 'ALL'. 21 respondents indicated the data reflected hires for their entire firm.

(12) Direct Sourcing was defined as those hires that internal company recruiters seek out in other firms rather than responding to candidate responses to ads. We thought small numbers would be reported but and we believe (without having the goods) that the majority of these results are based on mining online resume databases external to the company. We will have to look at this more carefully next year.

(13) Third party sourcing includes all FTE hires from agencies, executive search and other 3<sup>rd</sup> party firms.

Gerry Crispin and Mark Mehler are international speakers, authors, and consultants whose views on employment strategy, hiring processes and staffing technology are ardently sought by many of the world's most competitive corporations. Each quarter they conduct a 2-day colloquium, a discussion group of staffing peers, a small group think tank for leading corporate staffing strategists to examine the critical issues of the day.

Gerry and Mark, co-authors of CAREERXROADS the leading, annual reference guide to job and resume sites, have each devoted their careers to understanding and influencing every aspect of the staffing industry. Committed and connected, Gerry and Mark are focused on the real stakeholders in the staffing process the jobseekers and the employers that hire them. On any given day they might be found dissecting the staffing pages a multinational firm's website, quizzing a vendor about their value-proposition or volunteering to help job seekers find openings then teaching them to network to win the position.