

The CACEE Campus Recruitment and Benchmark Survey Report – 2011

EXECUTIVE SUMMARY

The CACEE Campus Recruitment and Benchmark Survey – 2011 is a compilation of information regarding the new graduate recruitment practices of employers throughout Canada. The survey details the level of full-time and co-op/internship recruitment hiring that occurred in the individual provinces of Canada during 2010-11 and the average salaries new graduates received upon entering the workforce based on their degree and the job position they were about to enter. It also estimates the level of hiring and the anticipated change in starting salary levels for the 2011-12 recruiting season. Finally, the survey establishes a number of benchmarks for recruiting practices ranging from the branding activities that Canadian employers take on in order to make themselves known and attractive to potential graduating employees to developing an estimated cost per hire for filling the positions these new graduate recruits will take on.

- The survey was conducted on-line from August 1, 2011 to September 26, 2011 and was open by invitation to employers throughout Canada. This was the second year that on-line questionnaires were available in both English and French.
- The survey was administered and survey results were analyzed on behalf of the Canadian Association of Career Educators and Employers (CACEE) by the National Association of Colleges and Employers (NACE) of Bethlehem, PA. In total, 324 employers responded to the survey. Responding organizations are listed in the appendix.
- The following are some of the major findings to be found in the body of the report.
- New graduate recruitment for 2010-11 as reported in this survey was dominated by Ontario. Nearly 50 percent of reported positions for new graduate hires in 2010-11 came out of Ontario. The Prairies region followed as source of offers constituting approximately 25 percent of all 2010-11 offers.
- The weighted average starting salary for new campus hires with a University degree in 2011 was \$53,717, a 10 percent increase over the average University degree salary reported in 2009-10. The average salaries reported by position for University degrees ranged from \$31,635 for those entering purchasing and procurement positions to \$72,407 for those entering chemical engineering.
- Verbal communication skills and analytical ability are the dominant skill attributes that Canadian employers seek from their new graduate hires. These are followed by a strong work ethic and the ability to work in a team setting as traits sought by a new graduate employer.
- Signing bonuses designed to attract new college graduate hires have become a rare event in new graduate hiring in Canada; just under 4 percent of employers offered signing bonuses to their new recruits. The trend away from offering signing bonuses is very apparent as the percent of firms offering signing bonuses has declined steadily from the 15 percent of firms who offered bonuses in 2008.
- A relocation incentive is far more common among Canadian employers – nearly 31 percent report a financial inducement for relocating. While the percentage of employers offering a relocation package in 2011 is consistent with the past couple of years it is down considerably compared with the years prior to the recession.
- The average acceptance rate for offers to new college recruits was approximately 81 percent, a significant improvement over the level recorded in 2010.
- Interestingly, poor salary offers was cited by an increasing number of respondents as the reason for declined offers, even though the average salary offer to new graduates appeared to increase substantially this past year.

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- The sectors that exhibited the most difficulty in attracting new graduate hires were mining and telecommunications; this was the second year in a row where telecommunications firms reported relatively low acceptance rates for their new graduate offers.
- Projected offers for new graduates in 2011-12 show a decline of 2.9 percent.
- Starting salaries for new college graduate hires are not expected to increase in 2011-12.
- On-campus branding activities are also continuing to drop. Participation in career fairs, information sessions, and even the posting of openings on campus averages fewer schools than the overall number of target schools. The activities employers find to be the most effective have stayed fairly stable. The top three are: student referral programs; information sessions; and job posting websites. These were also the top three in 2010.
- There appears to be a clear trend toward more use of social networking and online job posting sites as a substitute for on-campus recruiting. The effectiveness rating for the range of branding activities supports the trend toward the use of social networks. The major changes were a much improved effectiveness rating for social networking in the recruiting process and a clear decline in perceived effectiveness for on-campus career fairs.
- To operate their new graduate recruitment operations the majority of respondents reported a formal centralized structure. Approximately 71 percent of respondents reported a formal recruiting operation and 50 percent characterized their operations as centralized. This is a clear decline in the percent of firms that had a formal structure in previous surveys
- Although only a minority of Canadian respondents report using applicant tracking systems in their new graduate recruiting operations, there does appear to be growth in the employment of this technology. The percent of respondents using applicant tracking systems has gone from just under one-third to nearly 40 percent and the size threshold for a majority of employers using this technology has dropped from 2,000 employees to 1,000.
- The average cost per hire for the 2010-11 recruiting season was \$3,923. This is a drop from last year, and represents the second consecutive year respondents have reported lower cost-per-hire figures for new graduate recruiting.
- Much of the reason for the lower cost-per-hire can be attributed to the significant drop in marketing costs per hire. These expenditures declined from an average of \$847 per hire in 2009-10 to \$288 per hire in 2010-11.