

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 ADDITIONAL ESTIMATES HEARING

Outcome: All
Output Group: All

DEST Question No. E777_07

Senator Wong provided in writing.

Question:

Recruitment Agency Spending

1. What sum was spent on recruitment agencies in 2006 by each department and agency in the Minister's portfolio?
2. Will the Minister provide a list of the recruitment agencies which are used by the department and agencies in the Minister's portfolio?
3. What functions do recruitment agencies perform for departments and what would be the likely impact on departmental outcomes from reduction in recruitment spending on external agencies?
4. What benefit-cost assessments have been done which benchmark internal recruitment processes and/ or on utilising on line recruitment portals?

Answer:

Recruitment Agency Spending

1. The Department spent \$1,182,989.13 on recruitment agency costs during the calendar year 2006. Some of the funds paid to recruitment agencies may include fees for recruitment related scribing services.
2. The list of recruitment agencies used by the Department is at **Attachment 1**.
3.
 - i) Line areas in the Department use recruitment agencies to (i) assist in the sourcing of non-ongoing employees and (ii) assist in administrative support activities associated with completion of selection processes, for example scribing services for the write-up of selection reports, arranging interviews with candidates. In addition to this, corporate level recruitment functions are supported through the use of recruitment agencies, for example executive search, design and delivery of assessment centre services for graduate candidates.
 - ii) Reduction in spending on recruitment agencies is likely to have adverse affects on the capacity of the Department to deliver against business outcomes. Use of recruitment agencies enables the Department to respond quickly to additional needs relating to staffing, specific expertise and administrative support.
4. The Department's (and government) procurement methods require 'value for money' in relation to any procurement activity and this assessment would be undertaken on each occasion where services are procured from recruitment agencies. On a wider strategic level, the Department regularly reviews the approach to recruitment.

AIMS has provided the following response:

1. \$166,416.13.
2. Alliance Recruitment, Workskills Professionals, Integrity Staff, Manpower, TP Human Capital, and HAYS Recruitment.
3. AIMS uses recruitment agencies to fill short term positions and areas experiencing a severe skill shortage where the demand for skills is high and the supply is low. This provides a critical capacity that underpins timely and cost-effective delivery of the Institute's research.
4. AIMS recruits most staff by internal recruitment processes. Recruitment agencies are only used in certain cases (see answer to 3).

ANSTO has provided the following response:

1. \$635,127.93
2. Hays Personnel Services, On Q Recruitment, Hudson, Michael Page International, the One Umbrella, Boyden Melbourne, Next Step Recruitment, Brooker Consulting, and Spencer Stuart.
3. Recruitment agencies provide a range of services from complete recruitment to simple advertising. ANSTO uses a range of specialist recruitment agencies because of the diverse range of employment. Four of the above agencies have been involved in senior executive recruitment on a worldwide basis. The likely impact on the agency from a reduced spend on external agencies would be the need to increase recruitment capacity within the agency or to accept longer lead times and a less responsive service to internal clients. This may result in the loss of applicants because of greater turn around times.
4. ANSTO has a range of recruitment agencies which have been selected as a consequence of a competitive tendering process. Individual agencies are selected for specific assignments based on their particular market speciality. ANSTO uses on line recruitment where appropriate.

AIATSIS has provided the following response:

1. \$9,451.25
2. Rosscalibre
3. AIATSIS uses recruitment agencies to facilitate the solution to a short term need between advertising and recruitment of key positions, and for temporary staffing requirements. The likely impact on the agency from a reduced spend on external agencies would be the inability to meet these short term solutions which would result in unnecessary stress on other staff and impact on productivity.
4. None.

ARC has provided the following response:

1. Nil
2. Not applicable

3. Not applicable. In 2006 all recruitment processes for the ARC were undertaken in-house. External scribing services were used to support some of these processes. A reduction in expenditure on scribing services would impact negatively on the timeliness and effectiveness of recruitment processes and on the ARC's administration of the National Competitive Grants Program.
4. The ARC has a Human Resources unit of 1.8 ASL which supports all the people management and development functions, including recruitment. This compares favourably with Human Resources staffing ratios for the APS in general. The ARC has investigated using on-line recruitment portals, but could not justify the cost given existing staffing, resources and cost pressures.

CSIRO has provided the following response:

1. CSIRO spent \$690,000 on recruitment agencies in 2005-06.
2. The agencies used were:
 - Stanton Chase International
 - Hudson Global
 - Esaress Ltd
 - Slade Group
 - Executive Search Ltd
 - MAHLAB Recruitment
 - Greythorn
 - The Next Step Recruitment Company
 - Hays Personnel
 - Robert Walters
 - Korn/Ferry International
 - Michael Page International
 - TMP/Hudson Resources
 - Select Australia
 - Public Affairs Recruitment Company
 - MAHLAB Recruitment
 - Ambit Group
 - Robert Half Australia
 - Brooker Consulting
 - Icon Recruitment
 - MacArthur Management
 - Adecco
 - Wizard Office and Personnel Services
 - Consultation and Implementation Services
 - SOS Recruitment
3. Recruitment agencies are engaged to support CSIRO's in-house recruitment function in two main areas:
 - Employment of short term casual staff at short notice to cover unforeseen workload peaks or unexpected absences: The short term nature of these vacancies means that there is no time to conduct the usual advertising and competitive selection processes, nor is it cost effective to do so. Agencies have a pool of candidates who can be made available immediately.
 - Specialist staff in high demand disciplines: This service is utilised in situations where CSIRO perceives a need to augment its internal processes with searches of particular national and international markets. CSIRO has some capability of this kind, but the cost of maintaining an in-house service to meet all of its executive needs would be prohibitive.
4. CSIRO did not conduct any cost benefit analyses in 2006.

RECRUITMENT AGENCIES USED BY THE DEPARTMENT

Alliance Recruiting Australia P/L
Allstaff Australia Pty Ltd
Ambit It&T
Ambit Recruitment Group
Candle Computer Services Pty Ltd
Capital Recruitment Services
Careers Unlimited Pty Ltd
Catalyst Recruitment Systems
Claudia Morris Scribe Services
Dimension Data Learning Solutions
Diversiti Pty Ltd
Economics & Commerce Student Society
Effective People Pty Ltd
Face 2 Face Recruitment Pty Ltd
Ford Kelly Executive Connection
Frocomm Australia
Greg Ryan & Associates
Greoffrey Blunden
Hansen & Searson Management Service
Hanson, Searson, Ford Executive
Hays Metier Personnel
Hays Personnel Services
Hays Personnel Services Australia
Josal Enterprises P/L (Writepeople)
Julia Ross Recruitment Ltd
Kelly Services (Aust) Limited
Kowalski Recruitment Pty Ltd
Lawrence Computing Pty Ltd
Lightsource Solutions
Lisa Castles & Associates P/L
Manpower Services Australia Pty Ltd
Maxnetwork Pty Ltd
Omega Personnel Pty Ltd
Peoplebank Australia Pty Ltd
Peoplebank Recruitment Pty Ltd
Professional Careers Australia Pty
Profile Ray & Berndtson Pty Ltd
Proscribing Solutions
Recruitment Management Company
Ron Hogan & Associates
Ross Human Directions
Scribe Management Australia
Select Australasia Pty Ltd
Select/Write Recruitment Support
SHL Australia
Sos Recruitment
Spherion Recruitment Solutions
Sue O'loughlin
Talent2 Consult Pty Ltd
The Green & Green Group Pty Ltd
The Public Affairs Recruitment Co P
Tmp/Hudson Global Resources
Tonvia Pty Ltd

Trish Bergin Consulting
Verossity Pty Ltd
Wizard Information Services Pty Ltd
Wizard Personnel & Office Services
Wordsworth Writing