

Episode 36 TE - Amazing (random) Facts About Recruitment Transcript

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Welcome to another episode of The Lone Recruiter podcast. I'm your host, Brett Clemson, and if you're a recruiter out on your own or just lacking general guidance or mentorship, then you've come to the right place.

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Our short, to the point episodes are designed to give you the motivation, the advice and the strategies you need to become the very best lone recruiter. So join us, grab a cup of coffee and let's take your desk to another level now. Today is an interesting one. I do love random facts and I stumbled upon a few random recruitment facts and I just thought, you know what?

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That's going to be great for the podcast. You know, normally there's a distinct purpose about these episodes. Normally, I've got a very poignant point to make. This episode is a bit less of that today, and I just genuinely found these really interesting facts. Now, this may or may not help you on your quest to dominate whatever sector you recruit in, but I can certainly tell you there's going to be things in here like, what are the average fees across the world?

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Who's the biggest agency? When was the first agency ever founded? Stuff like that. Just super interesting random facts. And you know what? It could be stocking filler, conversational starters. You never know when you'll be able to draw on this stuff. So let's jump into it. I think you'll find some of these interesting. I've got eight random facts.

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Let's start with when was the first external recruitment agency founded? No surprises here. It was in London, England. It was it was called The Employment Agency. Very special name there. Or very average name. Back in 1819 by a guy named Henry Robinson. So that's about it. I don't think they're still around. Number two, and this number fluctuates a little bit, but the best number I could see is that the Australian recruitment market is a \$17.7 billion industry with a profit margin of 4.3%.

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Now, that was what was super interesting to me because I don't know what business would want to operate at that. There's obviously a lot of perm and temp, so a lot of temp and contracting wrapped up in those figures, or labour hire, but that's the entire market. So every, every bit of revenue coming in for recruitment agencies is \$17.7 billion. It's a pretty significant industry.

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What I found really interesting was the largest agency in the world. I think we all know it is Randstad, their global revenue was bigger than the entire Australian revenue for recruitment. It was they had a global revenue of \$26 billion. That's insane. But, you know, no surprise there. They're the biggest in the world. Four, so this one look, this one, I couldn't I couldn't get a very specific number on where I'm going to go and I'll take you on this one.

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But in terms of how many recruitment agencies are there in Australia, there's around 10,000 is 10,485 recruitment agencies in Australia with 220,470 agents. So let me say that again there's over 10,000 recruitment agencies and over 220,000 recruitment agents. So it's a pretty buoyant industry. If you do some very crude division 222,000 divided by 10,400, you're going to get a roughly 21 recruitment agents per agency.

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Now, that seems quite big. If you take out the top 20 firms, your Hays, your Robert Halfes, your Michael Pages, your Randstad, who are the big guys in industry. If you take those guys out, they're going to take a big chunk of those heads away. What we normally see is that 80% of recruitment agencies in Australia are either sole operators or four or five staff.

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So if you're sitting out there alone doing your own thing or you're in a small team, you're not alone. You're probably part of a crew of about 80% of agencies out there. So don't feel disheartened when you think I'm not as big as the other guys I'm coming up against the big guys, trust me, you're good at what you do and you're doing what you do for a reason.

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And I think that number should give you a bit of a skip in your step.

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Number five is the average cost of recruiting in Australia is \$23,000. So this does include onboarding, training, inductions and things like that. So if you are an HR Practitioner out there, that one should make you realise how important retention is because it could save your company \$23,000 for every staff member that you do retain within that business, I'm up to six.

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So this one might be interesting if you're curious about what another market might be. Or are you in the right sector? But the top four sectors to recruit in 2023 are surprise surprise with 252,000 jobs is health care and social assistance. Number two, with 172,000 jobs is the professional, scientific and technical services sectors. Number three, with 113,000 jobs is education and training, and number four, with 118,000 jobs.

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Is the construction sector. So if you're in any of those markets you'll know that they're quite competitive. But there are plenty of, there's plenty of work out there and obviously a lot of recruiting activity going on there. This one was super interesting. Number seven, what are the average fees globally for permanent recruiters right around the world? So I kind of list these in order of size.

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But New Zealand, the range is rough and these are averages, right? I know that I looked at my numbers went well we've got different but this is the average so New Zealand between 12.5%-17.5% fees. South Africa they range from 8% to 20% and the US 15% to 25%, Sweden they're pretty high, 22% to 27%, average fees.

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Nice London, big range again, anywhere from 10% to 30% so it's getting getting up there. But Japan. Wow, wow, wow. The average fee in Japan is 35% to 40%. That is insane. I kind of want to open up in Japan, right? I mean look, Australia 12% to 19%, so to give you some context there, we're probably around the the lower end, the lower mid range in Australia.

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I'll counter that by saying we've got higher wages than most of those countries as well. So you know, horses for courses. Last one in terms of how much should you be making as a recruiter? An entry level recruiter starts at around \$70,000 a year and at the average experienced recruiter can earn more than \$115,000, including bonuses and commissions a year.

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To me, that 115 seems low, but it sounds about right because that's the average right. You're gonna have outliers either side. There you have it. So they're my eight random facts about the recruitment industry. They may or may not blow your mind, but you know what? Everyone's different and someone got something out of today's episode.

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So that's all we have time for today. If you liked it, if you think there's something interesting in there, please share it. You know, recommend it. Like it, post it, repost it, give

us a five star review. The five star review's what I'm chasing at the moment. If you're listening to this right now on Spotify click up the top, go to the rate and give me five stars.

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I will love you. I will love you. Thank you. Thank you. Thank you. We can't do it without you. We are growing every single day. I see those numbers going up. We're getting more and more followers and really, really exciting. So help us, help us, and we can continue bringing this for you. That's all we have time for you today, as always,

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Have an amazing day and may all your deals come true.