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MAXIMUS UK Survey Finds Recruiting New Staff is Too Costly and Time Intensive for UK Businesses

- Survey Identifies that 43% of Businesses Estimate Cost of Hiring a New Employee is Greater than 2,000 -

LONDON--(BUSINESS WIRE)-- Recruiting new employees takes too long and is too costly according to a new survey conducted in February, covering more than 500 small and medium-sized businesses across the United Kingdom and representing all sectors. Over 80% of the companies that responded employ fewer than 100 staff and identified recruitment as a great challenge in managing their workforce.

In light of the new Work Programme, MAXIMUS UK and the British Chambers of Commerce conducted the two-week survey, which asked employers about the barriers to recruiting skilled and experienced workers. The Work Programme is designed to match job seekers with the appropriate job in order to obtain sustainable employment and gain long-term self-sufficiency.

At a time of rising unemployment and increased competition for vacancies, the survey results point to a general dissatisfaction with recruitment services in the UK. This is particularly difficult for smaller companies because recruitment places extra demands on limited resources in an already challenging economic climate.

Highlights of the survey results include:

- Over 40% of companies responding to the survey estimated the cost of recruiting a new employee is more than 2000.
- For more than half (53%) of the businesses surveyed, the business owner is responsible for recruitment. Less than a quarter of the businesses have personnel departments to handle staffing.
- Only 3% of the businesses regularly use a recruitment agency. Just over half use agencies occasionally, while 46% said they would never use a staffing agency. Two-thirds of respondents cited high costs as a reason for not using external agencies and 11% indicated that the use of staffing agencies is too time consuming.
- Online job boards - Websites that allow employers to post open job positions and job seekers to post their curriculums vitae - fair only slightly better. Almost one-fifth of respondents always use online job boards, 43% sometimes use a job board, and 39% said they never would. Nearly half of all companies responding to the survey indicated that the curriculums vitae they receive via online job boards do not match the requirements of their job openings while 20% indicated that the use of job boards is too time consuming.

"As a leading provider of workforce services across the UK, we recognize the importance of matching the right candidate to the right job at the right company," said Bob Leach,

Managing Director at MAXIMUS UK.

"There are many barriers for companies attempting to recruit new staff," said David Riches, Director of Operations at the British Chambers of Commerce. "As the MAXIMUS survey shows, the cost and time involved in hiring new staff can be difficult for small- and medium-sized firms. There are currently 2.5 million unemployed individuals in the UK, including over one million young people, so we must make it easier for companies to recruit."

About MAXIMUS

MAXIMUS (NYSE:MMS) is a leading provider of government services worldwide and is devoted to providing health and human services programme management and consulting services to its clients. The Company has more than 6,500 employees located in more than 220 offices in the United Kingdom, the United States, Canada and Australia.

About the British Chambers of Commerce

The British Chambers of Commerce (BCC) is the national voice of local business. The BCC sits at the heart of a powerful nationwide network of Accredited Chambers of Commerce, serving over 100,000 businesses across the UK, which employ over five million people. For more information visit: www.britishchambers.org.uk

Source: MAXIMUS