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Report
September 2026

Resourcing and talent planning report 2026

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

The CIPD's *Resourcing and talent planning report 2026*, produced in partnership with Omni RMS, examines resourcing trends and challenges to offer insight and practical suggestions for employers considering their recruitment and retention strategies. Now in its 25th edition, the report helps employers and their people teams make informed decisions about recruitment, retention, and workforce planning.

The report is based on a survey of over 1,000 HR and people professionals.

Report

Resourcing and talent planning report 2026

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Foreword

The UK labour market looks very different to the one we reported on two years ago. Recruitment activity has slowed as organisations are navigating rising employment costs; legislative change; economic uncertainty and rapid advances in technology and AI. Yet despite these changes, one challenge remains remarkably consistent: securing the skills and capability needed to succeed.

If talent is genuinely strategic, why are so many organisations still managing it tactically? That was the question I kept coming back to as I reflected on the findings in this year's *Resourcing and Talent Planning report*. Despite years of discussion about talent as a boardroom issue, too many organisations remain stuck in reactive habits.

Across boardrooms, leadership teams are talking about AI, productivity, workforce capability, skills shortages, succession and future growth. Yet the findings in this report tell a different story: nearly half of organisations (46%) still take an ad hoc approach to workforce planning, and just 19% measure the return on their recruitment investment. The challenge is not recognising talent's importance, it is managing it strategically.

Workforce transformation is fundamentally a people challenge – it's about how work is organised; how capability is developed; how leaders adapt; and how organisations build cultures that embrace change while protecting engagement, performance and trust. Technology can enable transformation, and AI can accelerate it, but AI cannot compensate for weak workforce planning, poor data or an unclear business case – in many cases, it simply exposes those weaknesses. Workforce transformation is not a technology strategy – it's a business strategy with people at its centre. HR and talent leaders have a genuine opportunity to lead from the front, not simply support from the sidelines. **I believe this is one of the most significant opportunities for the people profession in decades.**

This year's findings are more sobering than upbeat. Redundancies have risen to 27%, up from 17% in 2024, and progress on the fundamentals remains patchy: over a third of organisations (36%) collect no workforce planning data at all. There are pockets of real progress, including increased investment in developing talent in-house and greater adoption of technology to improve recruitment efficiency. But progress and preparedness are not the same thing. If we are still struggling with some of the fundamentals today, we should be asking ourselves whether we are ready for the much bigger workforce questions that lie ahead.

I hope the findings within this report provide not only practical insight, but also a catalyst for discussion. The future of work is not something that will simply happen to organisations, it's something we have the opportunity, and responsibility to shape. The question is whether the people profession is ready to lead that change.

Louise Shaw
Chief Executive Officer
Omni RMS

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Summary of key findings

Labour market slowdown and legislative changes impacting resourcing and costs

- More organisations reduced (28%) than increased (22%) their recruitment of permanent employees over the last year. In addition, over a fifth (21%) reduced their use of external services and temporary labour, while only 13% increased it.
- Tighter UK migration rules have affected resourcing for 37% of organisations. Overall, 11% have reduced their recruitment of migrant workers.
- Over a quarter of organisations (27%, up from 17% in 2024) made redundancies and 29% replaced some jobs with technology and automation.
- Public sector organisations were particularly likely to reduce recruitment, put recruitment activity on hold and make redundancies.
- Most employers believe that the measures in the Employment Rights Act 2025 will increase their employment costs (14% to a large extent). Just over a quarter (26%) expect to recruit fewer workers in response, while 20% will be less likely to hire workers who need additional support.

Practitioner recommendations

- Take a flexible approach to resourcing and be cautious when considering hiring freezes or redundancies that may create future skills gaps. Organisations reducing hiring or use of contingent labour in the short term should look to model future skills gaps and recovery timelines before making structural decisions.
- Get up to speed and implementation with the Employment Rights Act 2025 changes to ensure compliance and mitigate legal claims. In particular changes to statutory sick pay, the unfair dismissal qualifying period, zero-hours and short-hours work, will fundamentally shift how organisations hire, manage risk and structure their workforce. HR teams that review practices, strengthen processes and plan ahead, will be positioned not just to keep up, but to lead through the change.
- Strengthen workforce risk management capability. HR teams should try to move beyond policy updates and build scenario-based planning to anticipate cost; workforce mix and productivity implications over the next 12–24 months.

Demand for skills remains high despite a cooling market

- Despite the market slowdown, 52% of organisations report that competition for well-qualified talent has increased over the past year and 44% that talent is more difficult to retain.
- There has been a decline in selected recruits reneging on job offers, failing to turn up on their first day or resigning within the first 12 weeks. This reflects the

tightening labour market but may be further supported by a growing focus on speedier recruitment processes and the candidate experience: 31% of organisations track time to hire, up from 21% in 2024; 33% collect data on candidate experience, up from 27% in 2024.

Practitioner recommendations

- Shift from reactive hiring to skills-based workforce planning. With competition for skilled talent still increasing and retention becoming harder, organisations should define critical capabilities and actively manage risk across those populations.
- Move beyond 'widening talent pools' to a more targeted, data-led attraction strategy. The increase in unsuitable applications highlights the need for sharper segmentation, clearer role design and more effective screening. Develop a longer-term workforce strategy to address persistent skills gaps, including early talent pathways, internal skills deployment, targeted upskilling and reskilling programmes.
- Refine employer brand messaging and attraction activity to better engage talent in hard-to-fill roles, ensuring campaigns are tailored to the motivations, skills and expectations of priority candidate groups.

Higher application volumes are not translating into quality candidate shortlists

- Although many organisations experienced growth in the number of applications for vacancies over the last year, 58% of employers reported increases from unsuitable candidates and just 33% from suitable candidates.
- Over half (53%) of organisations that attempted to recruit experienced difficulties attracting candidates, particularly for senior and skilled positions, although 18% also had difficulties attracting low-skilled candidates.

Practitioner recommendations

- Redesign assessment journeys to enable candidate self-selection, providing realistic job previews, clear role expectations and assessment insights early in the process so unsuitable candidates can opt out before progressing.
- Strengthen assessment and selection methodologies by aligning screening, interviews and assessments to the skills, behaviours and capabilities that best predict success in role.
- Use data to continuously optimise selection quality, monitoring conversion rates, assessment outcomes and quality of hire metrics to refine assessment processes and improve shortlist quality.

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Increased focus on developing talent in-house

- Many organisations are turning to internal training and development to meet their skill requirements. Overall, 48% of employers increased their efforts to develop talent in-house over the last year. Upskilling existing employees was the most common response to recruitment difficulties and tighter UK migration rules. Increasing learning and development opportunities was also the most common step taken to improve retention.
- Investment in pathways to employment remains steady, with 52% of organisations offering apprenticeships and 43% graduate programmes. Additionally, there has been incremental growth in the proportion of organisations offering mid-career-change programmes (27%, up from 21% in 2021).
- A fifth (20%) of organisations plan to increase their recruitment of younger workers (aged 18–24) over the next year, most commonly to help ensure a future talent pipeline and to access the key digital skills they need.

Practitioner recommendations

- Build internal capability as a strategic response to constrained external supply. The rise in organisations increasing learning and development investment reflects a structural shift, not a short-term tactic.
- Diversify entry pathways deliberately. Apprenticeships, early-career and mid-career transition programmes should be aligned to future skills demand, not run as standalone initiatives.
- Treat internal mobility as a core resourcing strategy. Organisations that proactively redeploy and develop talent will reduce hiring costs and improve retention, particularly where external supply is limited.

Continued use of flexible and hybrid working but less focus on pay

- Flexible working options remain important to attraction and retention strategies. Overall, 71% of organisations advertise at least some vacancies as open to flexible working.
- Demand for hybrid and remote working continues, with 25% of organisations increasing their use over the last year and just 9% decreasing it. Just over a third report it has improved retention (34%) and increased productivity (34%).
- Opinion is more divided regarding the impact of hybrid/remote working on engagement in the organisational culture. Around a third of employers (34%) have reviewed their induction and onboarding processes in the last 12 months to better integrate remote and hybrid employees.
- Increasing pay remains a key retention tool, used by 40% of organisations that took steps to improve retention in the last year. However, the use of enhanced pay and benefits to address recruitment difficulties has declined to 31%, down from 41% in 2024.

Practitioner recommendations

- Rebalance the employee value propositions from pay alone to total experience. While pay remains important, its relative impact is reducing – flexibility, development and wellbeing are increasingly key differentiators.
- Design flexibility intentionally, not reactively. With 71% of roles now advertised as flexible, organisations should define where flexibility drives performance and where it creates risk, rather than defaulting to broad policies.
- Evolve onboarding for hybrid environments. Many organisations have already adapted induction processes – this should now become a core capability to accelerate productivity and integration.

Mixed findings in recruiting diverse candidates

- While 46% of organisations that recruited over the last year hired a more diverse workforce, 22% of employers reported challenges in hiring diverse talent.
- At the board level, proactive efforts to recruit diverse candidates have declined, with only 26% of organisations being very or extremely active in this area, compared with 40% in 2024.

Practitioner recommendations

- Move from intent to execution. While many organisations report improved diversity outcomes, fewer are taking proactive, structured approaches to attraction, selection and retention.
- Audit the end-to-end recruitment process for bias and accessibility. Small changes in attraction channels, selection criteria and assessment design can materially impact outcomes.

Incremental growth in the adoption of resourcing technologies and the AI challenge

- The adoption of many recruitment technologies remains fairly limited, although there is incremental growth in the use of applicant tracking systems, online tests/assessments and onboarding platforms. The use of artificial intelligence (AI) in resourcing processes also remains low but is gradually increasing in areas such as writing job descriptions (16%) and screening candidates (16%).
- Compared with previous years, fewer organisations report their use of technology has been constrained by lack of skills or resources, although, for many, this remains a limiting factor, at least to some extent.
- Just over three-quarters (76%) of organisations that use technology have increased their usage over the last 12 months, reporting benefits in recruitment speed, candidate experience, accessibility, the diversity of hires and the quality of hires. Nearly three-fifths (57%) report it has helped them screen out unsuitable applications to some or a great extent and 48% report it has increased the availability of useful information for resourcing planning.

- 27% of organisations that attempted to recruit report that candidates made 'excessive' use of generative AI in applications. Over a third (35%) of employers attempt to monitor its use and 75% of these have rejected candidates for their use of AI.

Practitioner recommendations

- Focus on capability before technology. Adoption remains limited primarily due to skills and resource constraints – investment should prioritise internal capability and operating model, not just tools.
- Use technology to improve quality, not just speed. While organisations report efficiency gains, fewer are using technology effectively to improve hiring outcomes.
- Develop a clear position on AI in recruitment. With growing candidate use of generative AI and increasing monitoring by employers, organisations need defined policies on acceptable use and assessment integrity.

Advancements in strategic planning

- More organisations are taking at least a medium-term approach to workforce planning, although there remains considerable variation in their outlook. Overall, 24% take a short-term approach (up to six months), down from 31% in 2024, while 16% are planning more than two years into the future.
- Data collection is increasing in specific metrics, such as forecasting hiring demands (31%), tracking time to hire (31%) and candidates' experience (33%). Despite these small improvements, 46% of organisations still take an ad hoc approach to recruitment and only 19% calculate the return on investment of their recruitment processes.
- Nearly half (49%) of private sector respondents report that talent management has been a top priority for their CEO, compared with just over a third of public sector (34%) and non-profit (36%) respondents. Looking forward, 23% of private sector organisations anticipate an increase in their talent planning budget compared with 14% of the public sector and 10% of non-profits.

Practitioner recommendations

- Close the gap between intent and execution. While more organisations are adopting medium-term planning, many still operate reactively – look to address this disconnect as a priority.
- Prioritise a small number of meaningful metrics. Data collection is increasing but remains fragmented – organisations should focus on critical indicators such as skills gaps, hiring demand and retention rather than broad data gathering.
- Link workforce planning directly to business outcomes. The most effective approaches integrate permanent and contingent workforce decisions, job design and investment trade-offs into a single planning framework.

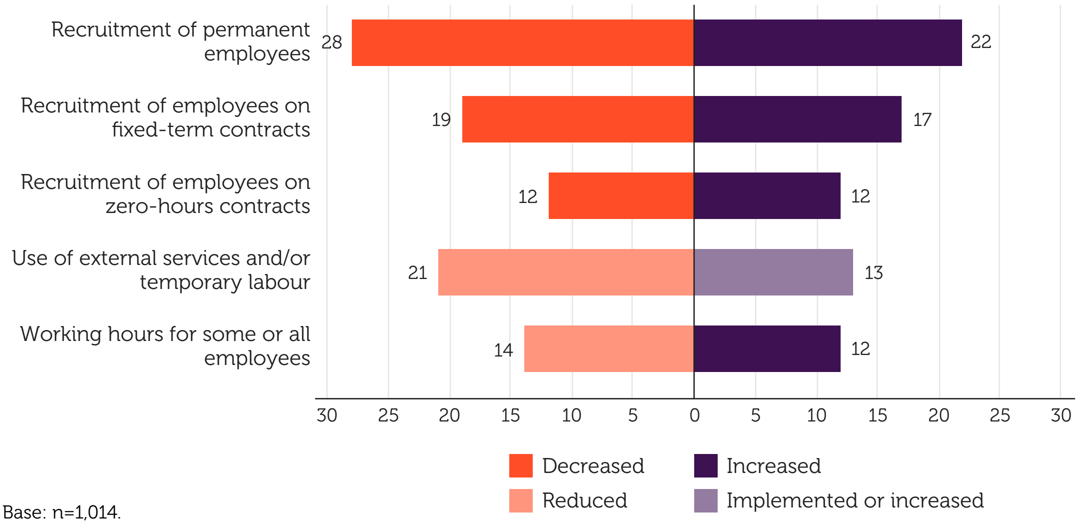
1 Current resourcing and talent trends

Variability in resourcing activity

The UK labour market has cooled significantly over the past year, with the Office for National Statistics (ONS)[1] reporting a notable decline in job vacancies. Our findings reflect the downturn. More organisations reduced than increased their recruitment of permanent employees and their use of external services/temporary labour over the last year (Figure 1). Nearly three in 10 (29%) put recruitment activity on hold, up from 21% in 2024, and 27% made redundancies, up from 17% in 2024 (Figure 2). During this period, 29% of employers (rising to 46% of large private sector organisations with 250+ employees) replaced some jobs with technology and automation (Figure 4).

The slowdown in resourcing has impacted some industries and sectors more than others. Overall, 22% of businesses increased their recruitment of permanent employees, and the overall picture regarding the recruitment of employees on fixed-term or zero-hours contracts was mixed. Public sector organisations were particularly likely to reduce recruitment, put recruitment activity on hold, make redundancies or redeploy employees to different roles within the organisation (Figure 3).

Figure 1: Changes in recruitment, the use of external services/temporary labour and working hours over the last 12 months (%)



Base: n=1,014.

[1] ONS. (2026) Vacancies and jobs in the UK: May 2026. London: Office for National Statistics.

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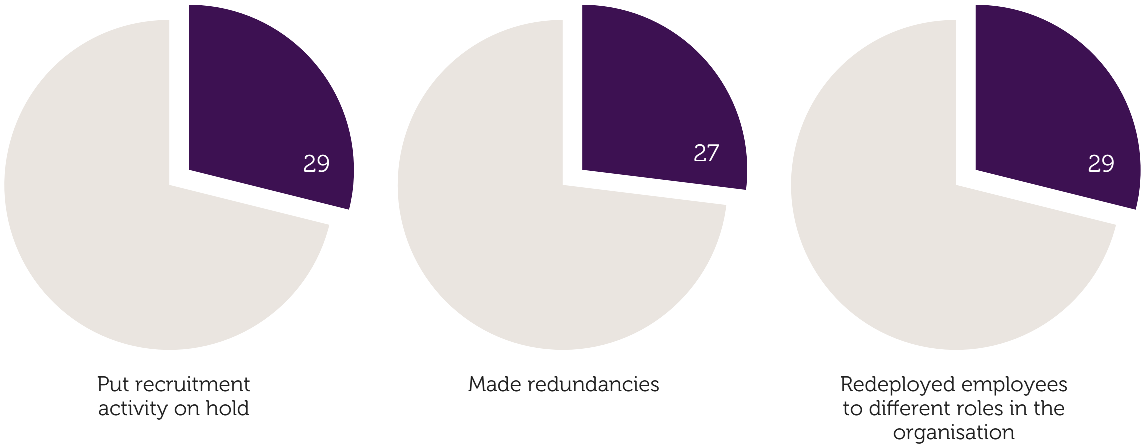
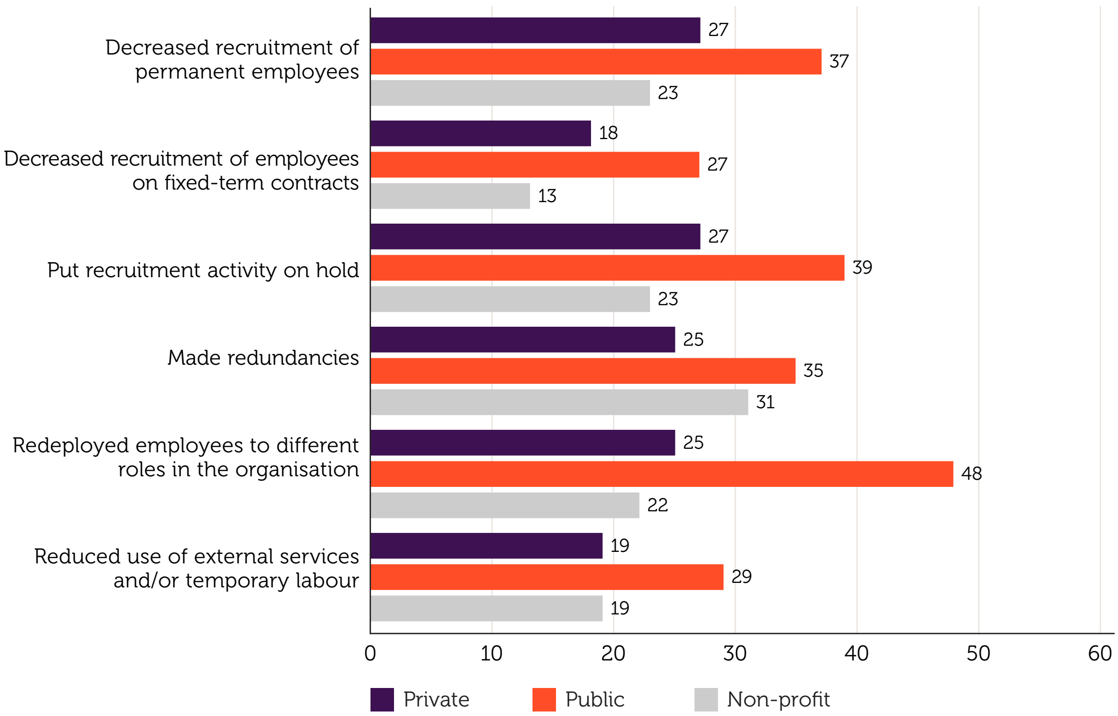
Figure 2: Has your organisation done any of the following over the last 12 months? (%)



Base: n=1,014.

Figure 3: Sector differences in resourcing activity over the last 12 months (%)



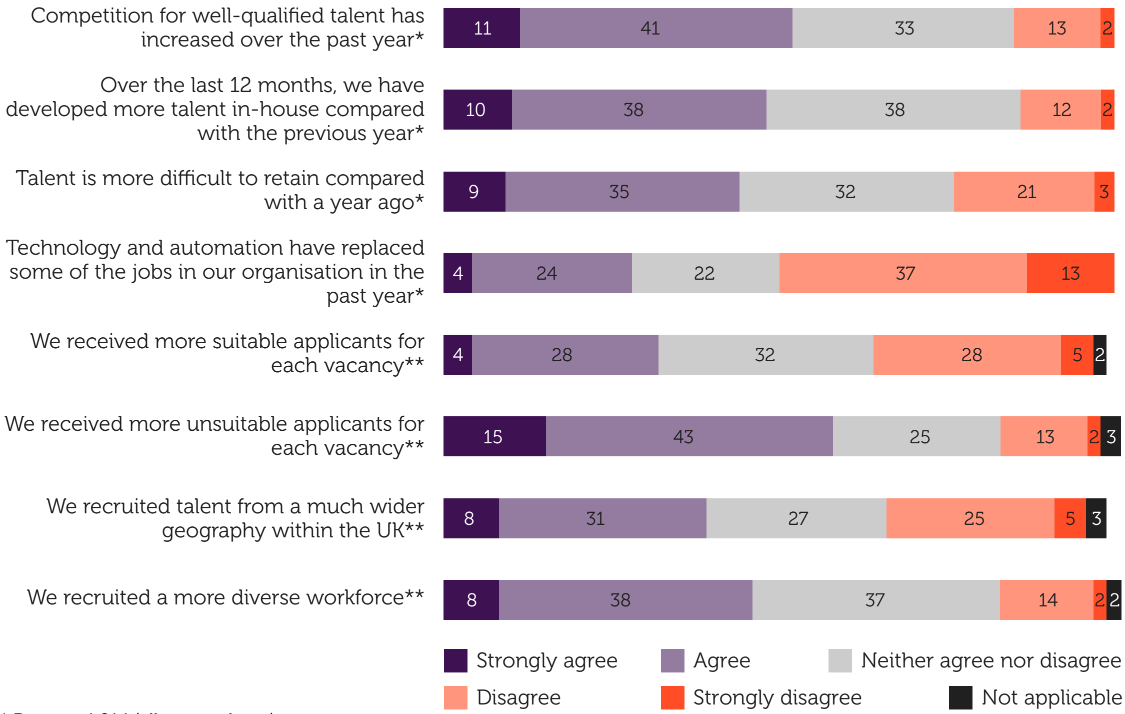
Base: n=1,014.

Demand for skills remains high

While job vacancies have declined, labour supply in the UK has been affected by a fall in net migration and the number of people economically inactive due to long-term sickness. Alongside these changes, rapid advances in technology and AI are contributing to shifting skill requirements. As a consequence, competition for particular skills or experience remains high: respondents, particularly those in larger organisations, were much more likely to agree than disagree that competition for well-qualified talent has increased over the last year and that talent was more difficult to retain (Figure 4), although the latter was somewhat less of an issue for non-profits (Figure 4a). Although many organisations experienced growth in the number of applications for vacancies over the last year, 58% of employers reported increases from *unsuitable* candidates and just 33% from *suitable* candidates. This was observed across all sectors, although larger organisations were more likely than small and medium-sized enterprises (SMEs) to report an increase in unsuitable candidates (SMEs: 52%; large organisations: 61%).

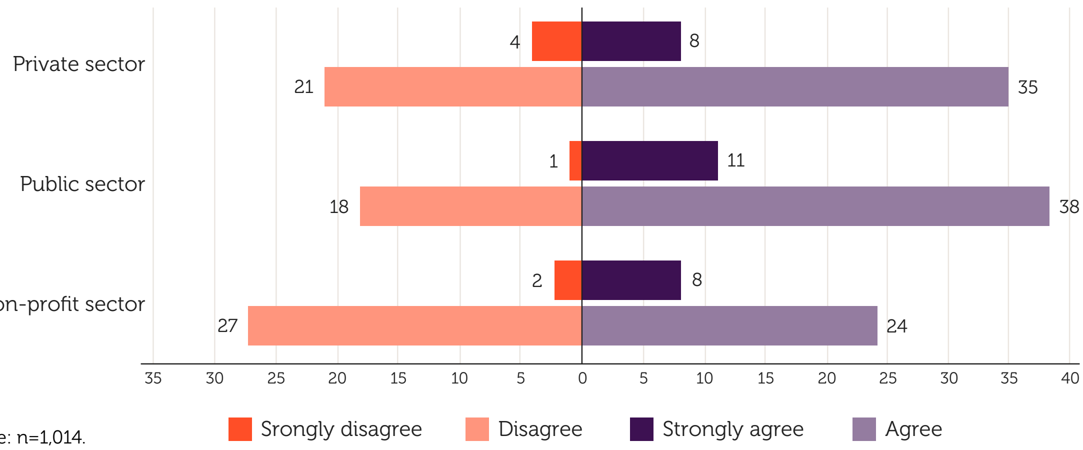
In this context, nearly half (48%) of employers increased their efforts to develop more talent in-house (63% of large private sector organisations), and nearly a third (32%) increased their focus on retaining talent (47% of large private sector organisations) (Figures 4 and 5). Of those that tried to recruit, 39% expanded their pool by recruiting from a wider geography within the UK (54% of large private sector organisations) and 46% recruited a more diverse workforce (58% of large private sector organisations).

Figure 4: Views on the employment market and resourcing (%)



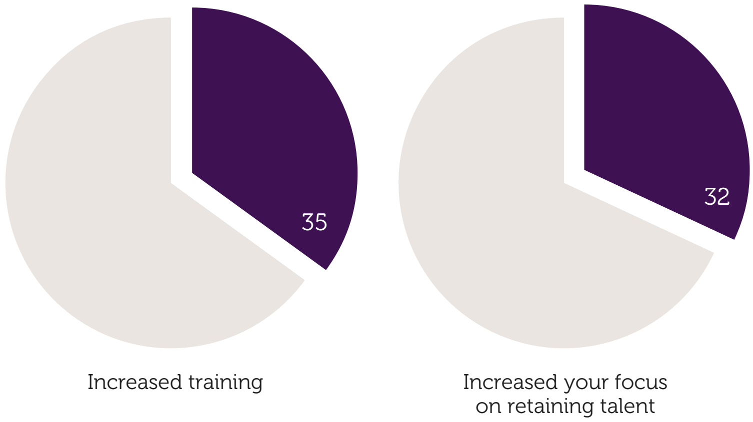
* Base: n=1,014 (all respondents).
**Base: n=791 (organisations that attempted to recruit).

Figure 4a: Talent is more difficult to retain compared with a year ago, by sector (%)



Base: n=1,014.

Figure 5: Has your organisation done any of the following over the last 12 months? (%)



Base: n=1,014.

Impact of changes to migration rules

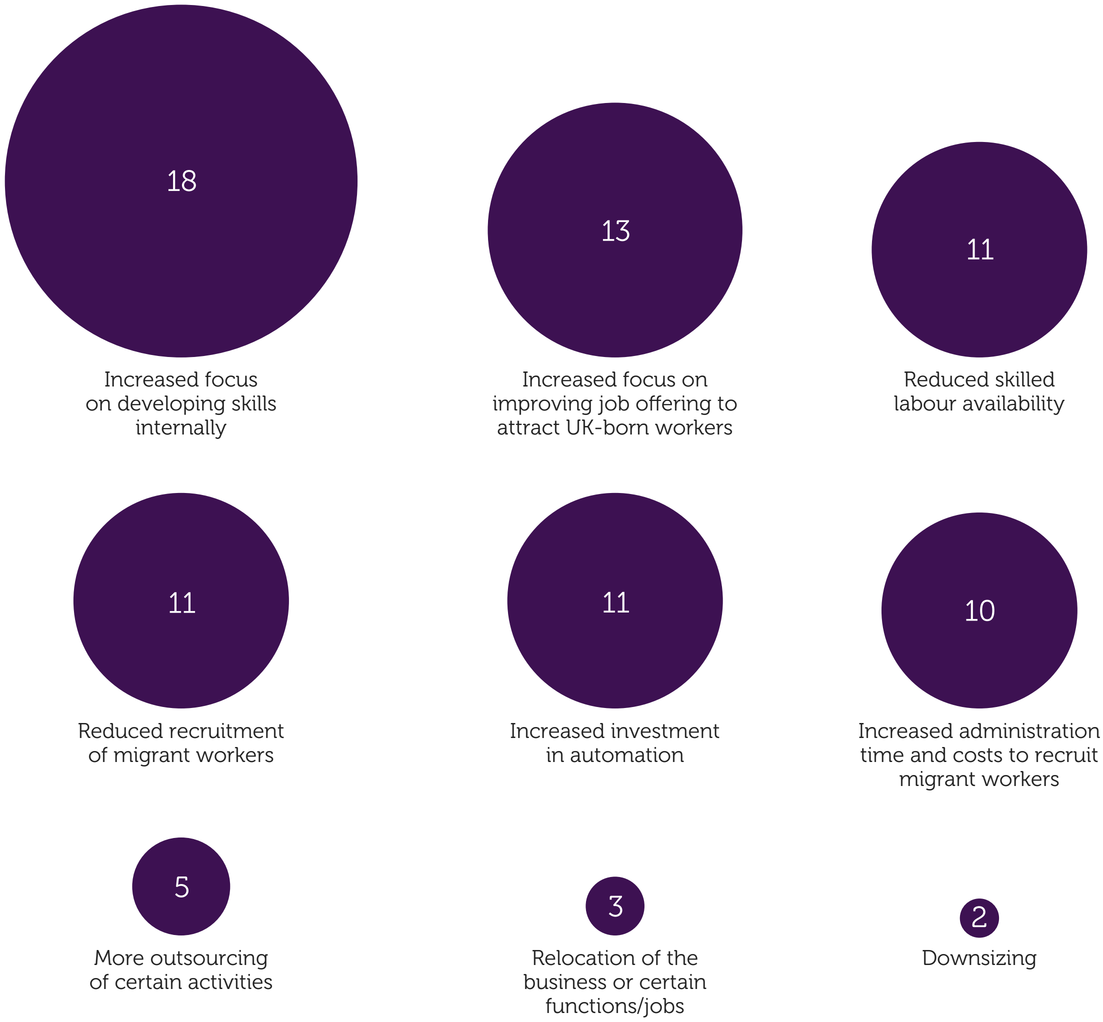
UK immigration rules have tightened significantly since 2024. Key changes include:

- increases to the earning and skills threshold for overseas workers
- ending the 20% going rate salary discount for shortage occupations
- reforming the Shortage Occupation List into an Immigration Salary List
- closing the Health and Care Worker visa route
- changes to visa allowances for partners and children
- restricting Health and Care Worker dependants
- review of the Graduate visa.

Overall, 37% of respondents report these changes have affected resourcing in their organisation over the last 12 months (55% report no impact, 8% weren't sure). Larger organisations, which have greater resourcing requirements, were more likely to report an impact (51%, SMEs: 18%).

For 11% of employers (rising to 18% of the public sector), the changes have led to reduced recruitment of migrant workers. The same proportion (11%) have been affected by the reduced availability of skilled labour. Nearly one in five (18%) are responding through focusing more on developing skills internally and 11% have increased investment in automation, while 13% are increasing efforts to attract UK-born workers (Figure 6). Fewer have responded by outsourcing more or relocating. One in 10 report the changes have led to increased administration time and costs to recruit migrant labour.

Figure 6: How, if at all, have the 2024 changes to UK migration rules for family and work visas affected resourcing in your organisation over the last 12 months? (%)



Base: n=1,014.

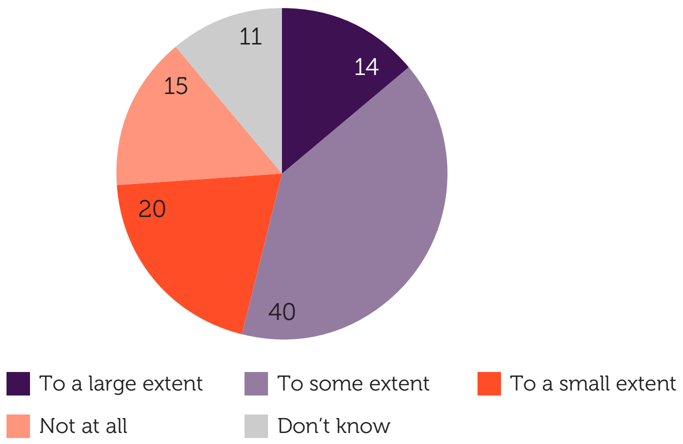
Impact of the Employment Rights Act 2025

Implementation of changes in the Employment Rights Act (ERA) 2025 is now under way, although some measures are still to be implemented. Reforms include:

- changes to the unfair dismissal period and fire and rehire practices
- day 1 right to Statutory Sick Pay and paternity leave
- enhanced trade union rights
- rights for zero-hours and low-hours contract workers.

Economic analyses of the reforms estimate the costs to business at £1bn, but there are concerns that this does not fully account for harder-to-quantify costs, including the time taken to understand and implement the new raft of legislation. Overall, one in seven respondents expect the measures in the ERA to increase their employment costs to a large extent (Figure 7), although 11% are not yet sure of the cost implications (21% of the public sector). Larger organisations across all sectors were more likely to anticipate increased employment costs as a consequence of the ERA (Figure 7a).

Figure 7: To what extent, if at all, do you expect the measures in the ERA to increase your employment costs? (%)



Base: n=1,014.

Figure 7a: The impact of the ERA on employment costs, by sector and size (%)

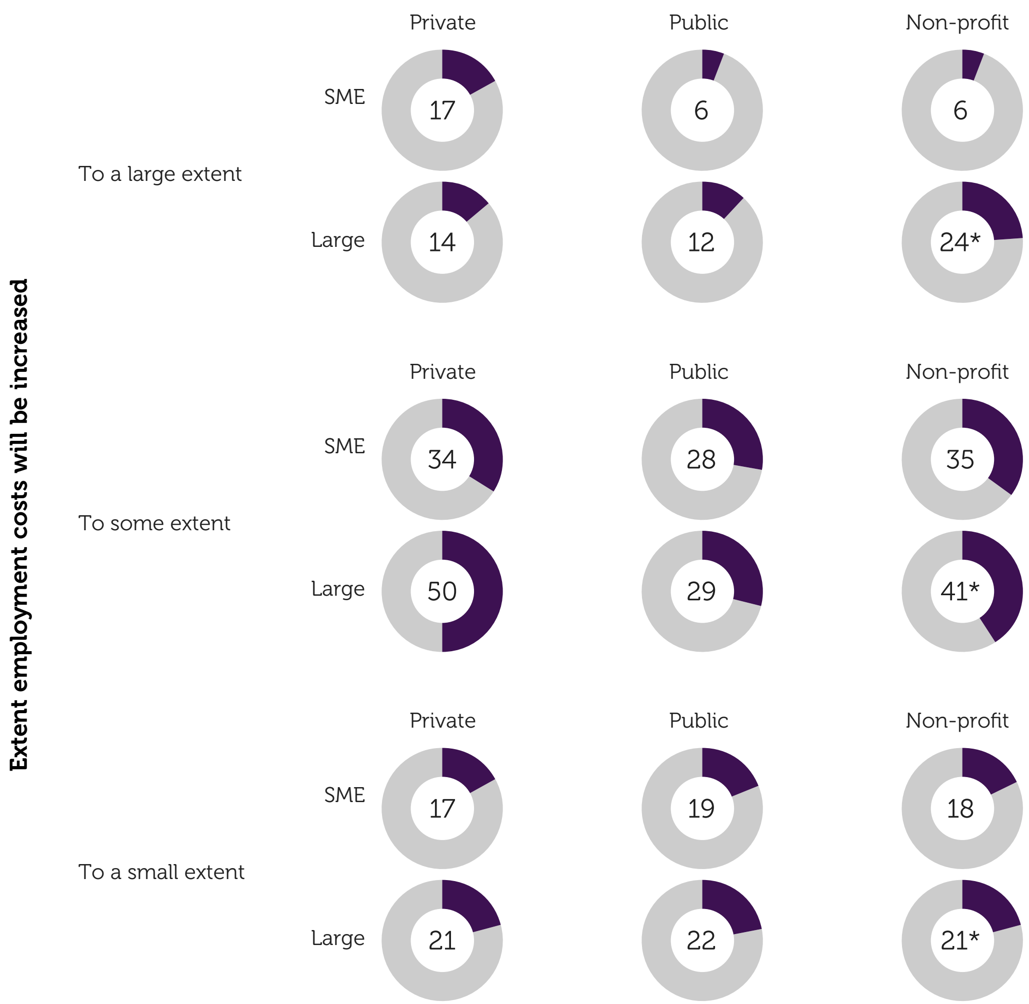
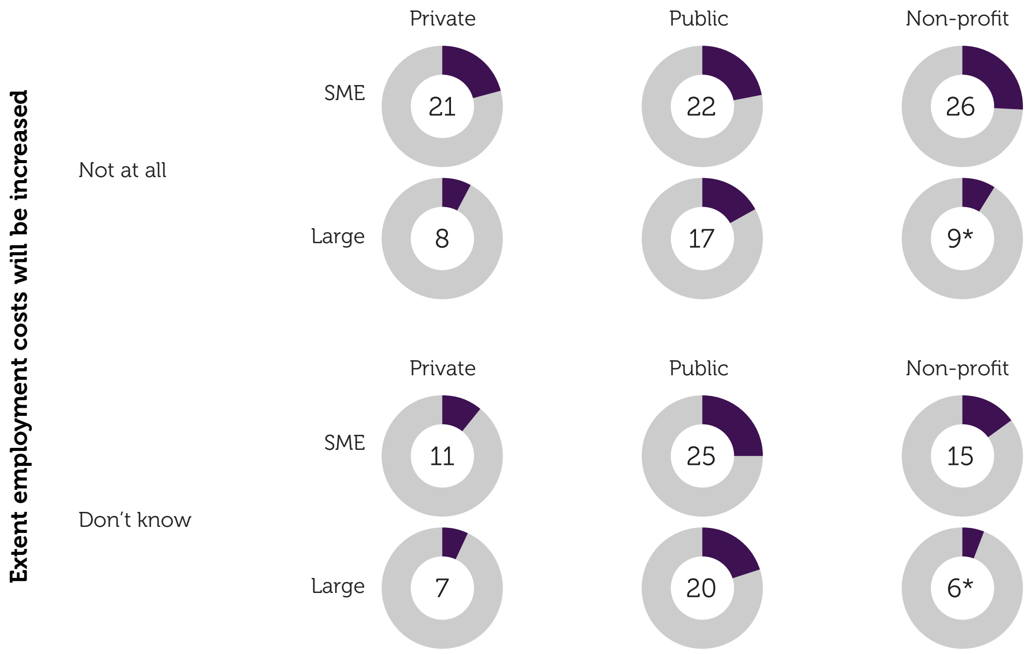


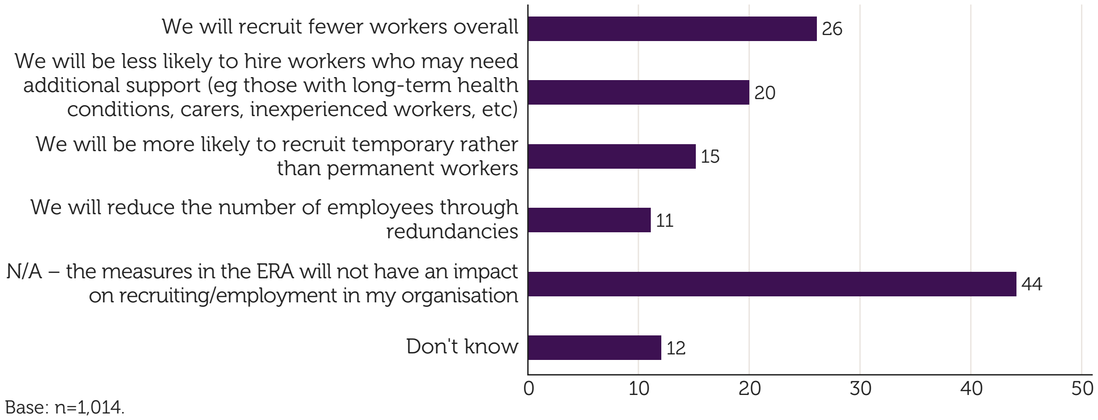
Figure 7a: The impact of the ERA on employment costs, by sector and size (%) *(continued)*



Base: n=1,014.
*Small base: n=34.

The legislation may also have unintended consequences on recruitment and resourcing practices. Over two-fifths (43%) of respondents anticipate some impact on resourcing, with 12% uncertain of the impact (Figure 8). Just over a quarter (26%) expect to recruit fewer workers, while 15% report they will be more likely to recruit temporary than permanent workers. A fifth (20%) report they will be less likely to recruit workers who may need additional support (eg those with long-term health conditions, carers, inexperienced workers).

Figure 8: How, if at all, will the ERA affect resourcing in your organisation? (%)



Base: n=1,014.

For further reading and practical guidance, see 'Tracking law changes: Employment Rights Act 2025' and 'Timetable of employment law changes in the UK'.

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2 Recruiting activity, costs and budgets

Most organisations had some recruitment activity

While the overall number of vacancies has reduced, the proportion of organisations attempting to fill at least some positions over the last 12 months is similar to our 2024 findings: 60% attempted to fill permanent vacancies and 48% had attempted to fill short-term vacancies (34% temporary or interim vacancies and 37% fixed-term contractors). One in five (20%), had not attempted to fill any vacancies.

Increase in recruitment costs

Our analysis of recruitment costs is based on a subsample of respondents who were able to provide average costs per hire with a stated accuracy of ±20%: 263 respondents were able to provide average costs per hire for senior managers/directors and 223 for other employees with this level of accuracy.

The median cost of recruiting senior managers (£3,500) and other employees (£2,000) has increased compared with our 2024 findings, reversing the downward trend that was observed over the preceding years. The increase for senior managers in particular is predominantly due to increases in private sector recruitment costs, where expenditure could be higher than in the public or non-profit sectors (potentially due to the different resourcing strategies used – see Section 3, Attraction strategies). Rising wages, legislative changes, investments in resourcing technology and competition for niche talent may be contributing to the increasing costs. Caution, however, is required in comparing and interpreting these figures due to the small sample sizes and considerable variation within and between sectors (part of which may be attributable to the inclusion of different costs in estimates or differences in calculation methods). This subsample may not be representative of the wider sample.

Table 1: Median average cost per hire for estimates accurate to ±20% (£)

Occupational group	All respondents £ (base)	Private sector £ (base)	Public sector* £ (base)	Non-profit sector* £ (base)
Senior managers/directors				
2026 survey	3,500 (263)	5,000 (170)	1,500 (65)	2,000 (28)
2024 survey	2,000 (246)	2,000 (194)	2,500 (33)	1,800 (19)
2022 survey	3,000 (265)	3,000 (202)	2,000 (39)	2,000 (24)
2021 survey	3,000 (232)	3,000 (174)	2,000 (34)	1,500 (24)
2020 survey	5,000 (259)	5,000 (177)	3,000 (46)	3,000 (36)
2017 survey	6,000 (143)	8,000 (103)	3,000 (18)	5,000 (22)
2015 survey	7,250 (68)	9,500 (47)	2,500 (11)	4,000 (10)
2013 survey	5,000 (79)	6,000 (55)	5,500 (8)	4,500 (16)
2012 survey	8,000 (105)	10,000 (74)	5,000 (11)	6,000 (20)
2011 survey	7,500 (150)	8,000 (111)	5,000 (15)	3,500 (26)

Table 1: Median average cost per hire for estimates accurate to ±20% (£)

Occupational group	All respondents £ (base)	Private sector £ (base)	Public sector* £ (base)	Non-profit sector* £ (base)
Other employees				
2026 survey	2,000 (223)	2,000 (151)	800 (50)	1,500 (22)
2024 survey	1,500 (207)	1,750 (159)	1,000 (34)	600 (15)
2022 survey	1,500 (195)	2,000 (152)	1,000 (25)	600 (18)
2021 survey	1,000 (174)	1,200 (129)	1,000 (27)	750 (18)
2020 survey	2,000 (226)	2,500 (154)	1,500 (41)	1,500 (31)
2017 survey	2,000 (160)	2,500 (115)	1,000 (24)	700 (21)
2015 survey	2,000 (80)	2,050 (55)	1,000 (12)	1,500 (13)
2013 survey	2,000 (82)	2,200 (58)	1,500 (8)	875 (16)
2012 survey	3,000 (98)	3,000 (71)	2,000 (10)	2,000 (17)
2011 survey	2,500 (150)	2,500 (114)	3,000 (14)	1,500 (22)

*Caution should be applied in comparing the costs for each sector due to the small number of respondents.

NOTE: Costs should include resourcing technology (eg LinkedIn licence), in-house resourcing time, advertising costs, agency or search fees, psychometric and selection tests, costs of offers (eg vetting) and onboarding.

Contrasting sector outlook for recruitment and talent management budgets

The outlook for recruitment and talent management budgets varies considerably across sectors: 24% of private sector organisations anticipate an increase in their recruitment budgets in 2026/27, while 15% anticipate a decrease (Figure 9). In contrast, public sector and non-profits are around twice as likely to anticipate a decrease than an increase. This may reflect lower employment intentions in these sectors.[2]

Just under a quarter of the private sector (23%) also expects an increase in their talent management spend over the next year, more than twice as many as anticipate a decrease (10%). Larger private sector organisations (250+ employees) are particularly likely to anticipate increases in both their recruitment and talent management budgets (Figures 9 and 10). Public and non-profit organisations are more evenly split regarding changes to their talent management budgets.

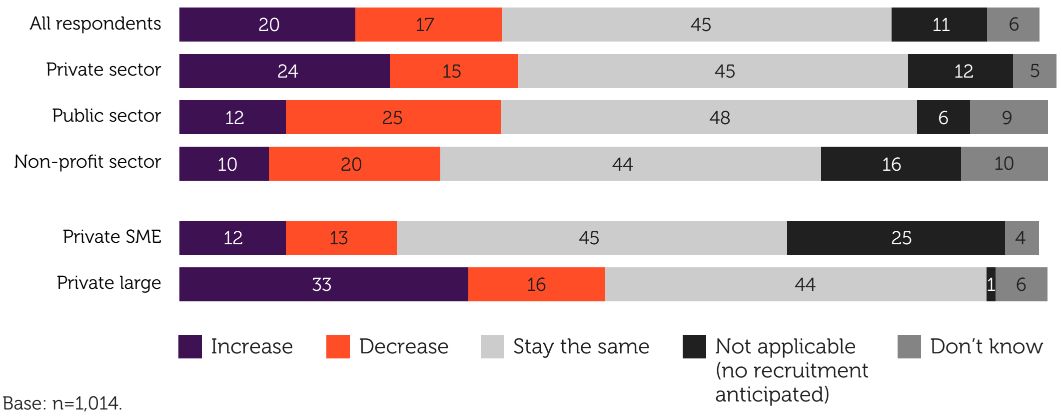
Unsurprisingly, changes to recruitment and talent management budgets are related to organisations' overall financial outlook over the next 12 months (Figure 11). Organisations that expect growth in their overall net profit or operating surplus are more likely to anticipate increases in their recruitment and talent management budgets.[3]

Overall, 11% (predominantly small organisations) do not anticipate any recruitment over the next year. Smaller organisations were also more likely to report they have no talent management spend.

[2] Bon, E. and Cockett, J. (2026) *Labour Market Outlook – winter 2025/26*. London: Chartered Institute of Personnel and Development.

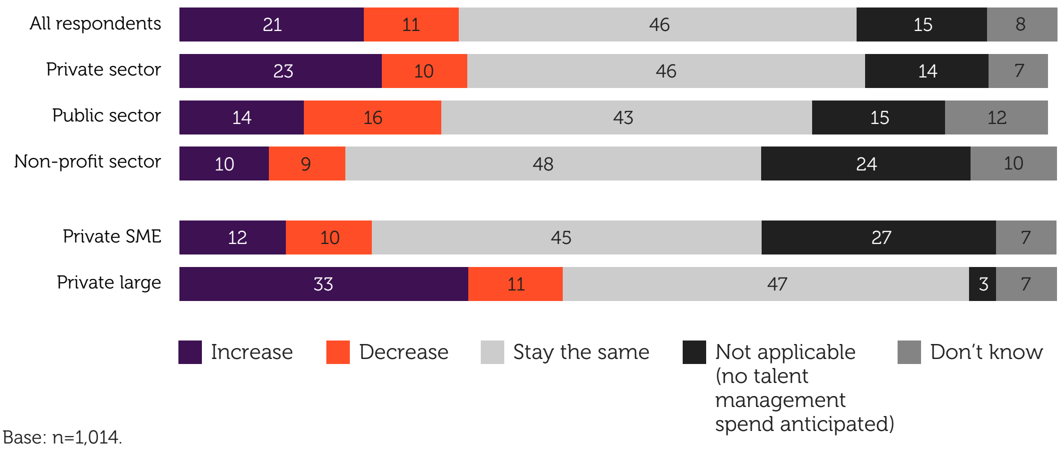
[3] Overall net profit or operating surplus and recruitment budget: Kendall's tau-b=0.33, p<0.001, n=834 ('don't know' and 'not applicable' responses excluded). Overall net profit or operating surplus and talent management budget: Kendall's tau-b=0.29, p<0.001, n=789 ('don't know' and 'not applicable' responses excluded).

Figure 9: Will your organisation's recruitment budget (to attract, identify and select employees) increase, decrease or stay the same for 2026/27? (%)



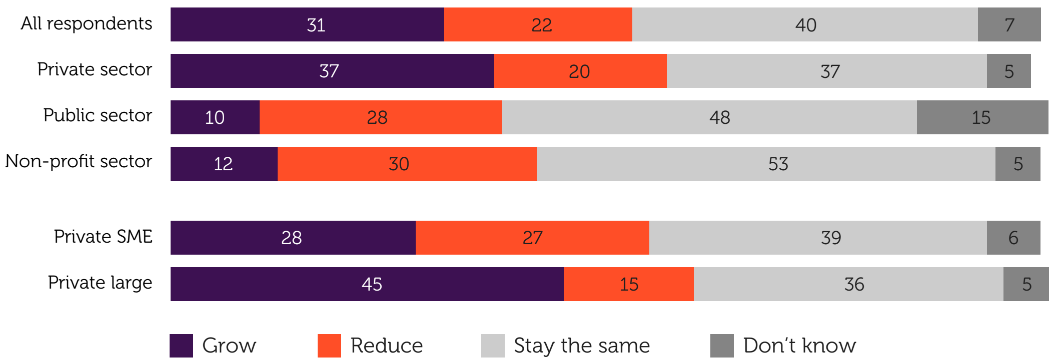
Base: n=1,014.

Figure 10: Will your organisation's talent management budget (to develop, engage and retain key employees) increase, decrease or stay the same for 2026/27? (%)



Base: n=1,014.

Figure 11: Do you expect your organisation's overall net profit or operating surplus to grow, stay broadly the same or reduce over the next 12 months? (%)



Base: n=1,014.

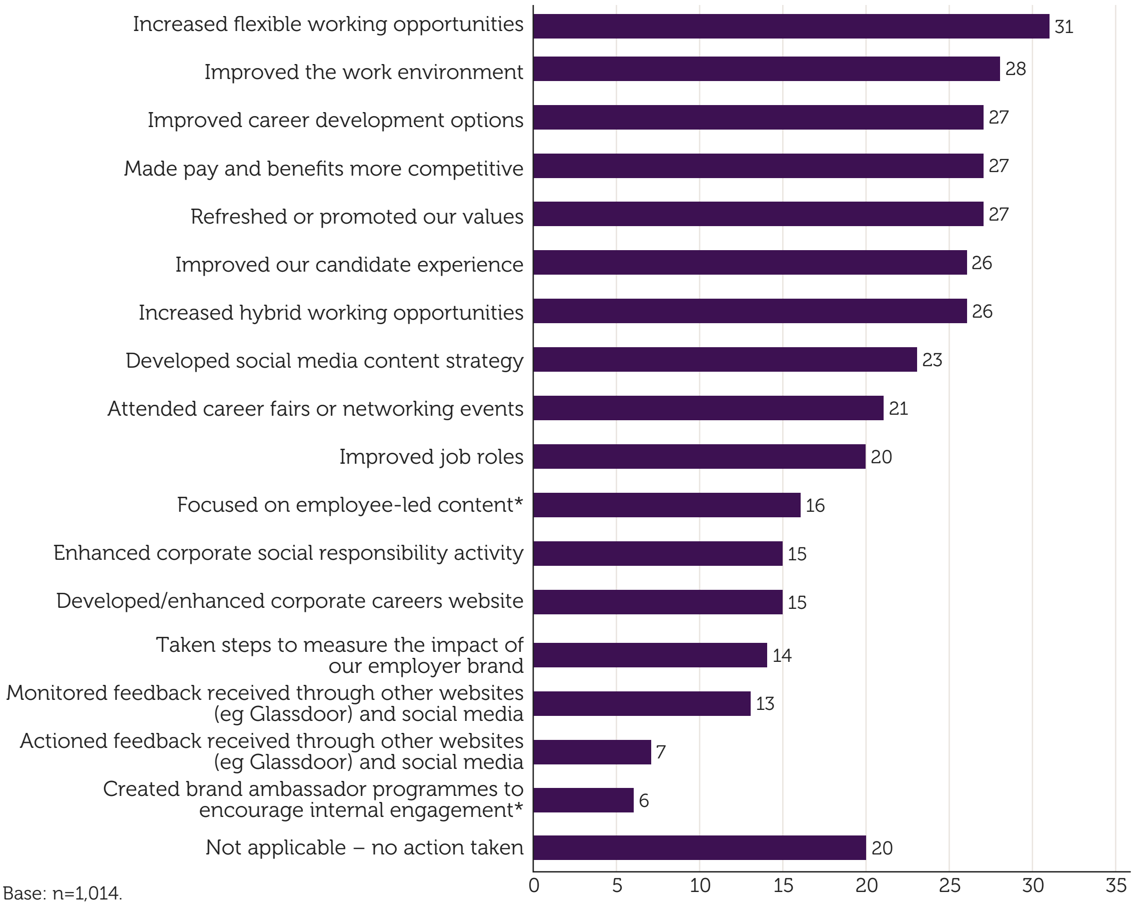
3 Attraction strategies

Most take action to improve their employer brand

Most organisations took some action to improve their employer brand over the last year (Figure 12). Increasing flexible working opportunities, improving the work environment, career development options, pay and benefits, and promoting values were among the most common initiatives, although as in previous years there were significant sector differences. Private sector organisations were most likely to have taken action to make pay and benefits more competitive (private sector: 30%; public: 17%; non-profits: 18%), although the proportion doing so has fallen compared with 2024 where it was 34% for the overall sample (private sector: 37%; public: 16%; non-profits[4]: 44%). Public sector organisations were more likely to have increased hybrid working opportunities (32%; non-profits: 26%; private sector: 24%) and, along with non-profits, more likely to have refreshed or promoted their values (non-profits: 37%; public sector: 33%; private sector: 24%).

As in previous years, relatively few organisations took steps to measure the impact of their employer brand or monitor or action feedback they receive through other websites such as Glassdoor and social media (Figure 12).

Figure 12: Actions undertaken in the last year to improve employer brand (%)



Base: n=1,014.

Multi-channel approach to attracting candidates

Organisations use a range of methods to attract candidates (Figure 13). Corporate websites, generic job boards and internal advertising to existing talent continue to be among the most effective approaches used.

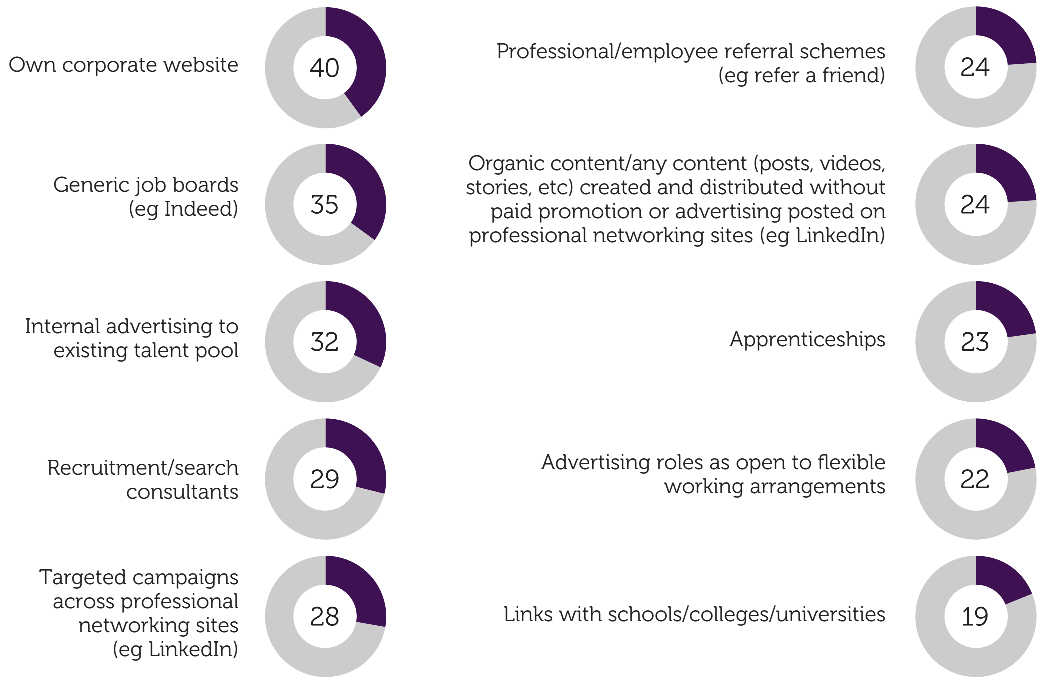
[4] Unweighted base for non-profits was 69 in 2024, 129 in 2026.

Targeted campaigns and organic content on professional networking sites also remain popular among those who have attempted to fill positions, but there has been a slight decline in the overall proportion including social networking sites, such as Facebook, among their effective methods of attracting candidates, both for targeted campaigns (2026: 17%; 2024: 23%) and organic/other content (2026: 14%; 2024: 19%). Non-profit organisations that have tried to fill positions are most likely to find organic content on social media effective for attracting candidates (25%; private sector: 14%; public sector: 11%).

The proportion of organisations that have attempted to fill positions that find encouraging speculative applications/word of mouth effective has fallen from 22% in 2024 to 16% this year. Similarly, fewer include commercial/industry-specific job boards (2026: 14%; 2024: 20%) among their effective approaches. The latter are more commonly used by public and non-profit organisations (21%) and the fall may reflect reduced recruitment activity in these sectors. In contrast, the use of generic job boards (e.g. Indeed) has increased slightly (2026: 35%; 2024: 30%). Less than one in ten count more traditional attraction methods such as newspapers (online or print) (8%), specialist journals/trade press (9%) and Jobcentre Plus (9%) among their effective attraction methods.

As in previous years, there are considerable sector differences driven by budgets, value propositions and types of work. Private sector organisations who attempted to fill positions were more likely than those in the public or non-profit sectors to include recruitment/search consultants (34% vs 17%), recruitment process outsourcing partners (16% vs 8%) and professional employee referral schemes (28% vs 12%) among their most effective attraction methods and less likely to include their own corporate website (36% vs 51%), advertising roles as open to flexible working (18% vs 31%) and specialist journals/trade press (7% vs 15%). Public sector organisations who attempted to fill positions were more likely to opt for internal advertising to existing talent pool (40% public, 30% non-profit, 29% private) and secondments (25% public, 12% non-profit, 11% private), than those in the private or non-profit sectors.

Figure 13: Top 10 effective attraction methods in the last 12 months (% of those that attempted to recruit in the last year)



Base: n=791.

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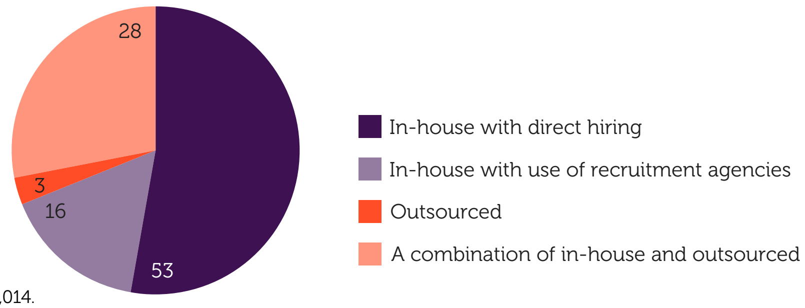
More than half conduct all recruitment in-house

Fifty-three per cent of organisations conduct all recruitment in-house with direct hiring, up slightly from 47% in our 2024 survey, possibly due to reduced recruitment activity and tighter cost pressures. Non-profits (71%) and public sector organisations (65%) are more likely to conduct all recruitment in-house compared with private sector organisations (49%). As in previous years, very few organisations outsource all their recruitment (Figure 14).

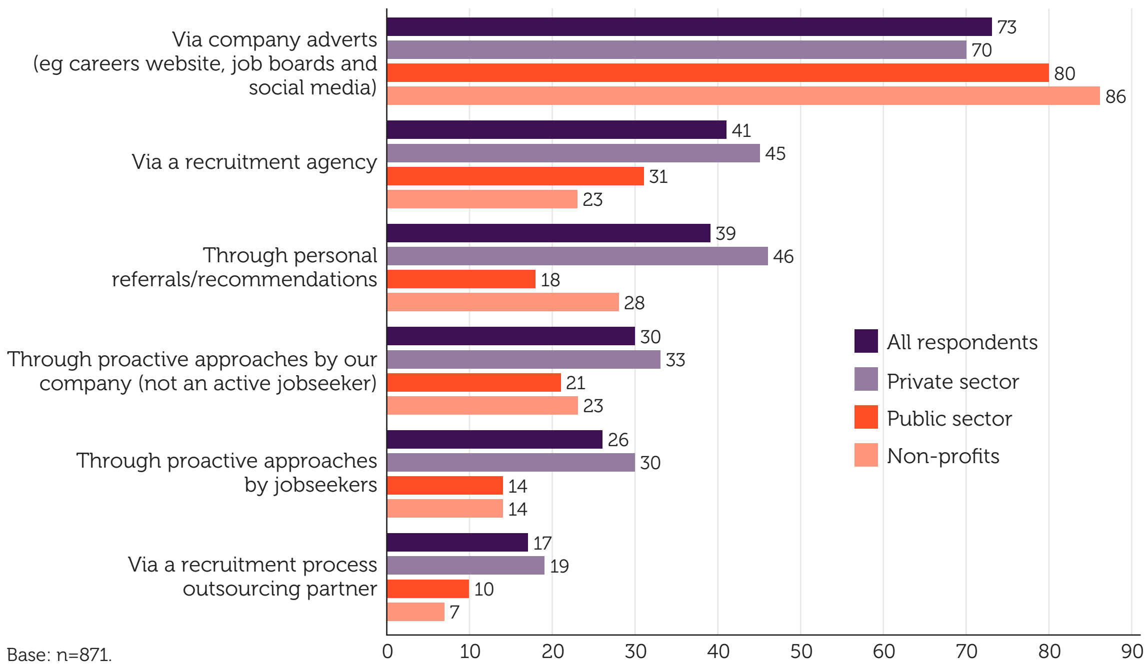
Figure 14: Is recruitment in your organisation…? (%)



Base: n=1,014.

Company adverts (eg careers' website, job boards and social media) remain the most common method of sourcing new candidates across all sectors, among those who hired new starters, particularly in public and non-profit organisations (Figure 15). Echoing the findings above, private sector organisations were more likely than those in the public sector or non-profits to have sourced candidates via a recruitment agency or recruitment process outsourcing partner, through personal referrals or recommendations or through proactive approaches.

Figure 15: Over the last 12 months, how were new employees sourced at your organisation? (% of respondents that hired)



Base: n=871.

For further information and resources on attraction strategies and all stages of recruitment (including factsheets, guides, tools, research, thought leadership, podcasts, webinars and case studies), see the CIPD's Recruitment resources.

4 Strategies for diversity and pathways to employment

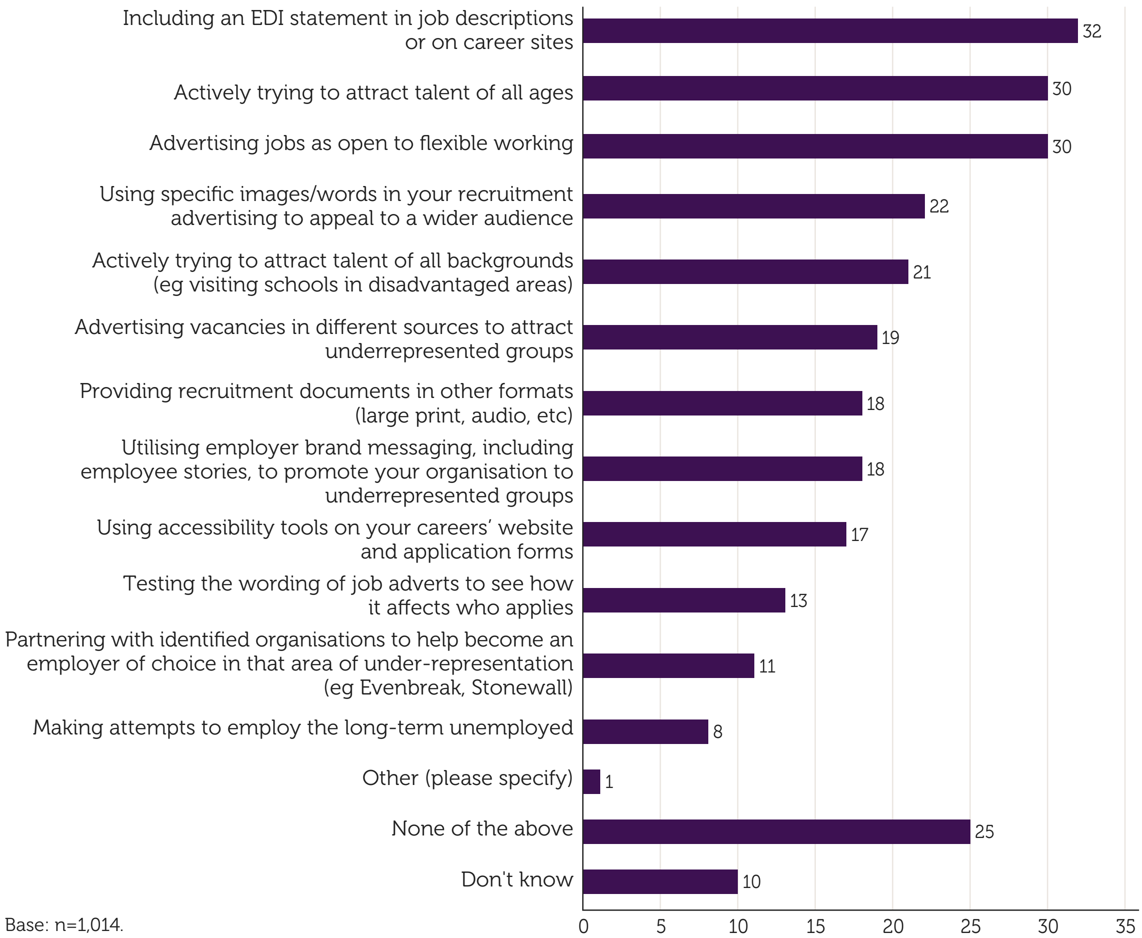
Little change in approaches to attract diverse candidates

As in 2024, two-thirds (66%) of organisations have a formal equality, diversity and inclusion (EDI) strategy (29% have no strategy, 6% don't know). They are far more common in the public sector (86%; non-profit: 71%; private sector: 61%) and in larger organisations across all sectors.

Nearly half (46%) of organisations that recruited over the last year report they hired a more diverse workforce compared with the previous year (Figure 4), although there has been little shift in the methods used to attract and recruit diverse candidates compared with previous years (Figures 16 and 17). Signalling intentions through EDI statements, actively trying to attract talent of all ages and advertising jobs as open to flexible working remain among the most common approaches.

Large organisations are more likely to invest in EDI initiatives (Figure 18), particularly inclusive leadership and management training (39% v 13% of SMEs) and inclusive recruitment/interview hiring manager training (37% v 7% of SMEs). Around three in 10 (29%) have invested in tracking diversity data for recruitment, internal progression and/or retention.

Figure 16: Methods used to attract diverse candidates (%)



Base: n=1,014.

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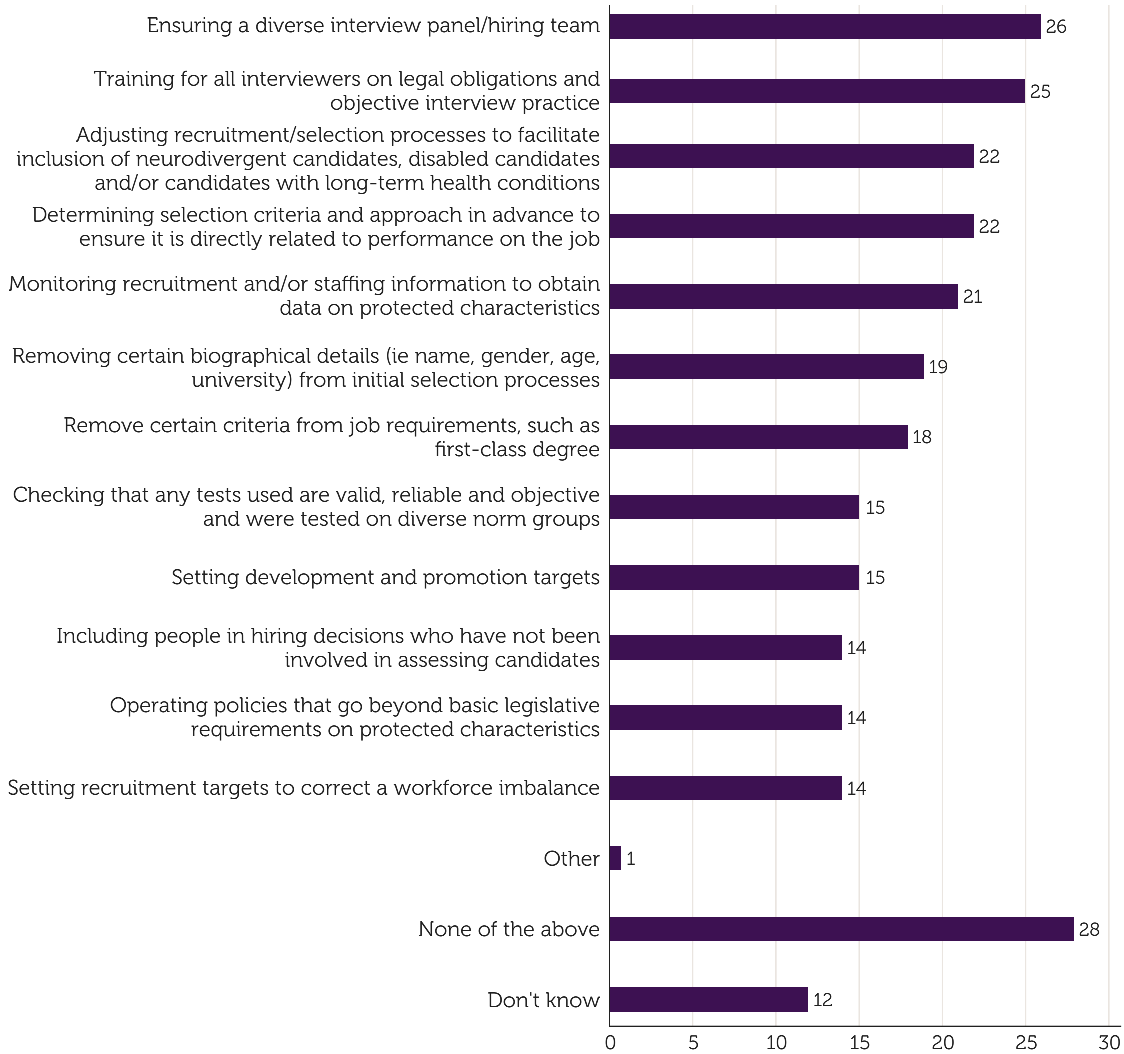
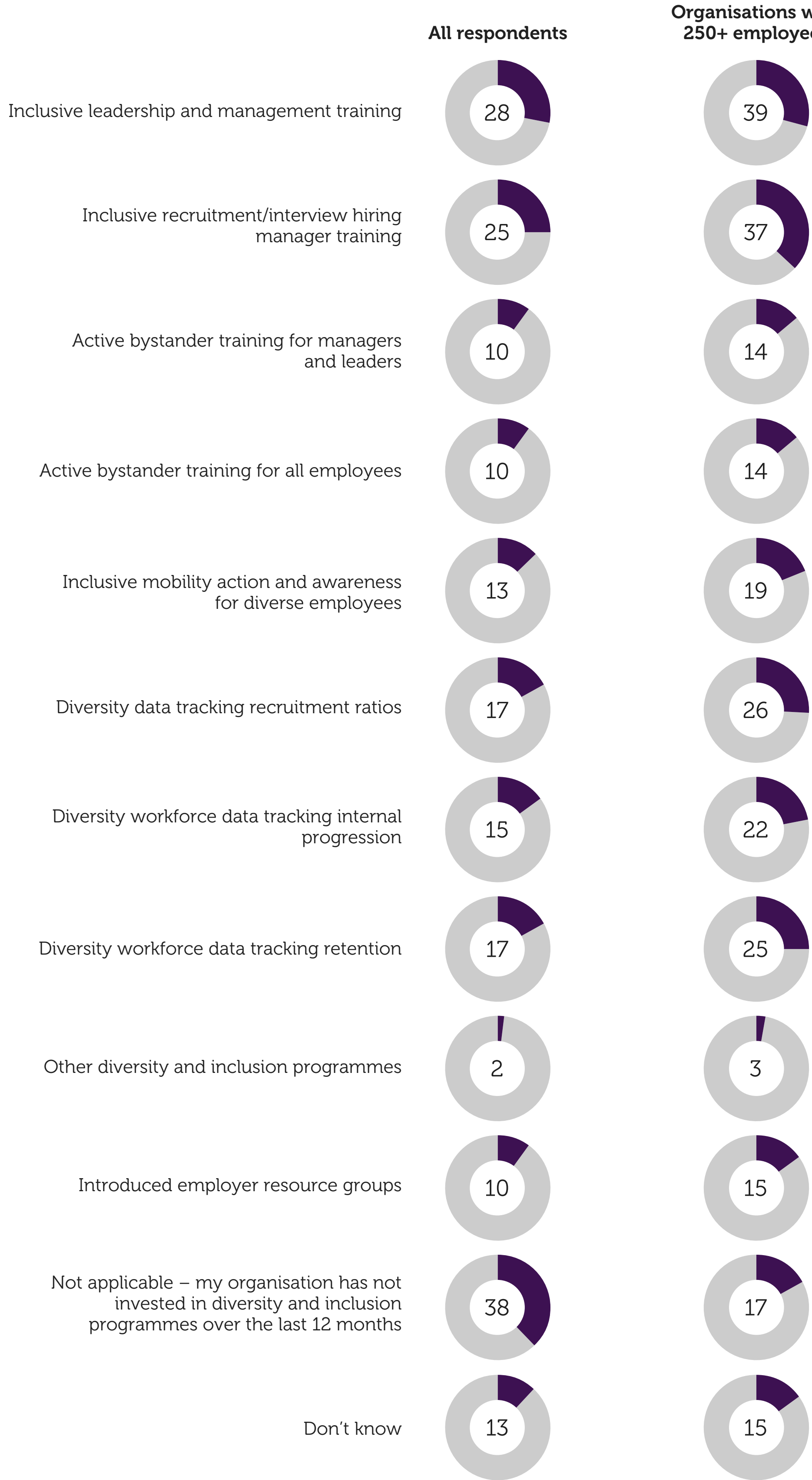
Figure 17: Methods used to address diversity issues in recruitment and talent management processes (%)



Base: n=1,014.

Figure 18: Which of these programmes, if any, has your organisation invested in over the last 12 months to support your diversity and inclusion? (%)

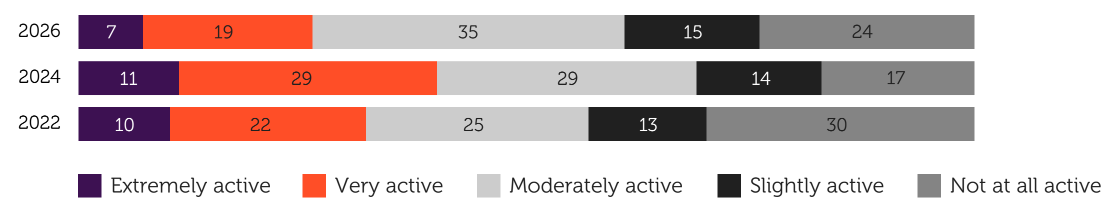


Base: n=1,014.

Reduced focus on recruiting diverse board candidates

In 2024[5] we reported an increase in the proportion of organisations that were actively trying to recruit diverse candidates to the board. This year's findings suggest that these efforts have fallen (Figure 19): 26% are very or extremely active, while 39% are not at all or only slightly active. There are no significant sector differences.

Figure 19: How active is your organisation in its efforts to recruit more diverse candidates to board level? (%) (excluding 'don't know' and 'not applicable' responses)



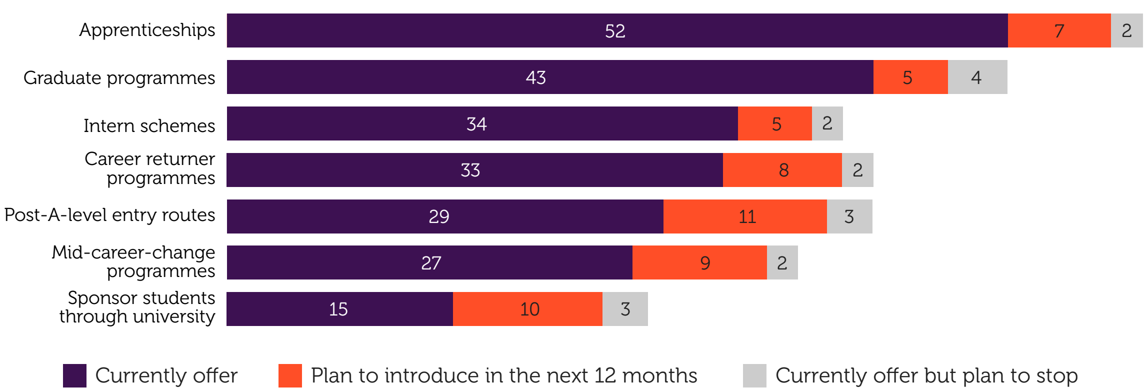
Base: n=768 (2026); n=767 (2024); n=759 (2022).

For further information and resources on EDI (including factsheets, guides, tools, research, thought leadership, podcasts, webinars and case studies), see the CIPD's Equality, diversity and inclusion resources.

Little change in the proportion offering entry-level programmes

Investing in pathways to employment can enable organisations to access a wider range of potential talent and develop the specific skills they need. As in 2024, just over half of organisations offer apprenticeships (52%, rising to 72% of large organisations), which are encouraged by the Growth and Skills (previously Apprenticeship) Levy and government support (Figure 20). Our findings also show little change in the proportion offering graduate programmes or intern schemes. In contrast, the proportion of organisations offering mid-career-change programmes continues to rise slowly (2026: 27%; 2024: 25%; 2022: 22%; 2021: 21%). These initiatives enable employers to benefit from diverse experiences and transferable skills.

Figure 20: Initiatives that organisations currently offer, plan to introduce or plan to stop in the next 12 months (%)



Base: n=1,014.

[5] Hogarth, A. and McCartney, C. (2024) *Resourcing and talent planning report 2024*. London: Chartered Institute of Personnel and Development.

Recruiting younger people

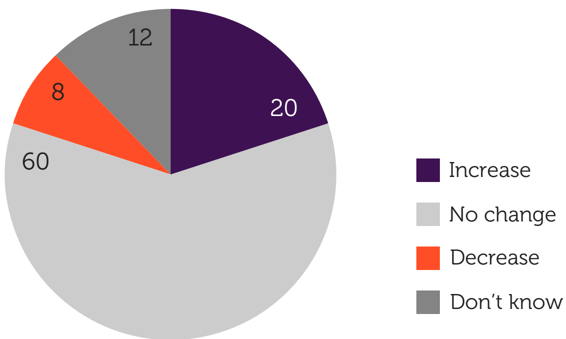
Official UK statistics show that the unemployment rate for young people aged 16–24 has risen to 16.2%, three times higher than the overall adult rate of 5%.[6] The UK Government is responding through investment to help employers create entry-level jobs and apprenticeships. We included new questions in the survey to explore whether employers plan to increase or decrease their recruitment of younger workers going forward, and to understand the reasons behind those decisions.

At the time of the survey, 20% of organisations anticipated an increase in their recruitment of younger workers over the coming year (Figure 21), with large private sector organisations (34%) and those in manufacturing and construction (39%) and hospitality and leisure (32%) most likely to do so. Just 8% thought their organisation was likely to reduce the number of young recruits, although 12% were uncertain.

To some extent, these findings may reflect general hiring intentions. Organisations that expected their financial outlook to improve were more likely to report an increase in the hiring of younger people and those who foresaw a decrease in their net profit/operating surplus were more likely to anticipate a reduction.[7]

Reducing the recruitment of younger workers is most commonly attributed to increases in National Insurance contributions and in the National Minimum Wage for young workers (Figure 22) - although the base sizes are small. Nevertheless, costs are clearly not the only factor at play. Ten per cent of those that anticipate a downturn in their financial outlook are planning to increase the number of younger workers, as are 22% of those that expect their net profit to remain the same. Many of these organisations believe young people are important for ensuring a good talent pipeline and value the skills, new ideas and perspectives they bring (Figure 23). Just 8% of those planning to increase their hiring of young people include their lower salary requirements among their top three reasons for doing so.

Figure 21: Compared with the previous 12 months, is your organisation likely to increase, decrease or make no change to the number of young workers (aged 18–24) it recruits over the next year? (%)



Base: n=1,014.

[6] ONS. (2026) Labour market overview, UK May 2026. London: Office for National Statistics.

[7] Kendall's tau-b=0.225, $p<0.001$, n=881 ('don't know' responses excluded).

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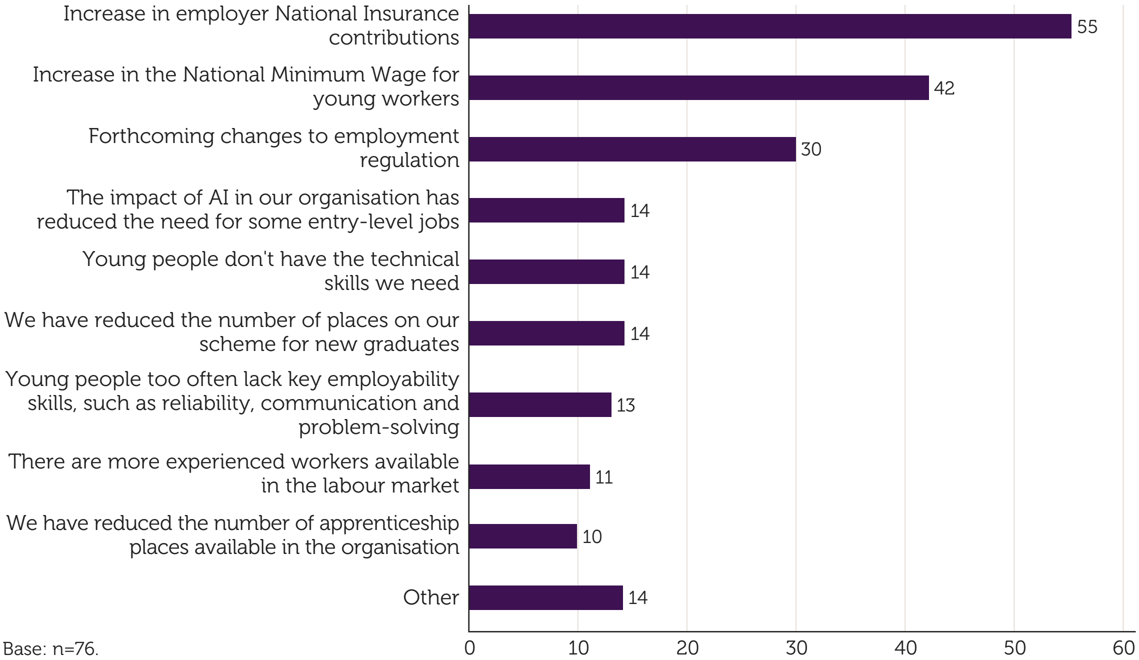
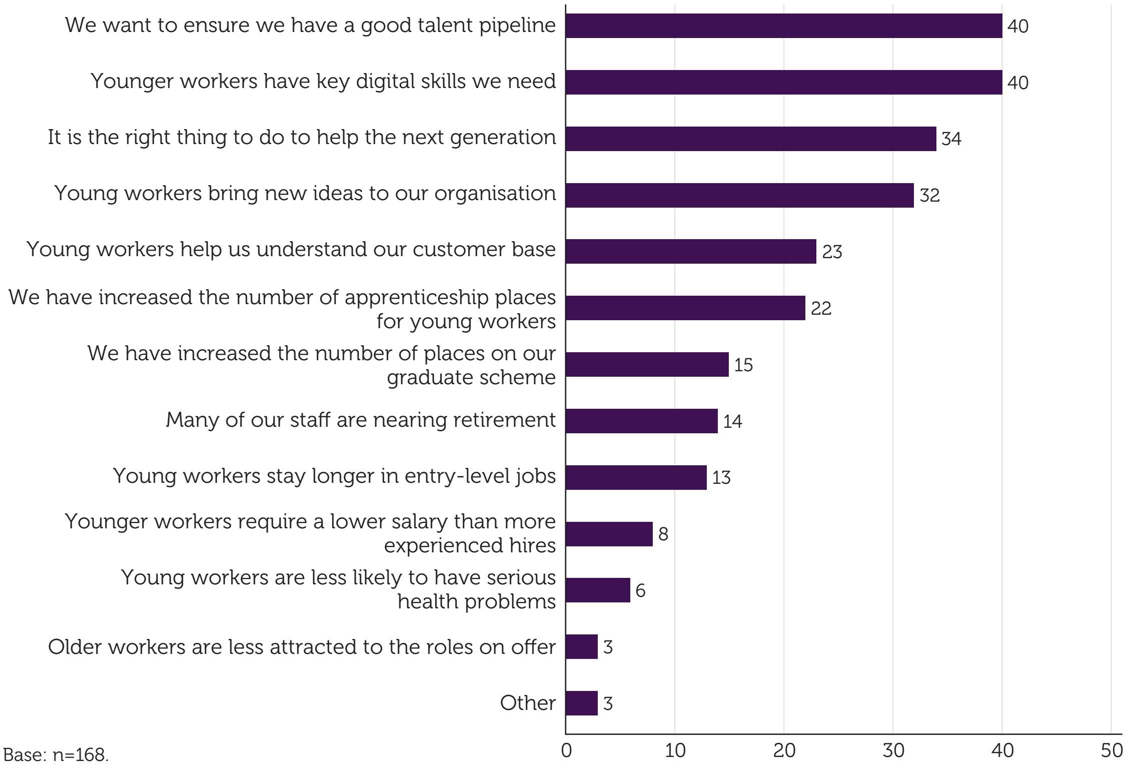
Figure 22: What are the three main reasons your organisation is likely to decrease the number of young people aged 18–24 it hires over the next 12 months? (% of those who anticipate decrease in recruitment of young people)



Base: n=76.

Figure 23: What are the three main reasons your organisation is likely to increase the number of young people aged 18–24 it hires over the next 12 months? (% of those who anticipate increase in recruitment of young people)



Base: n=168.

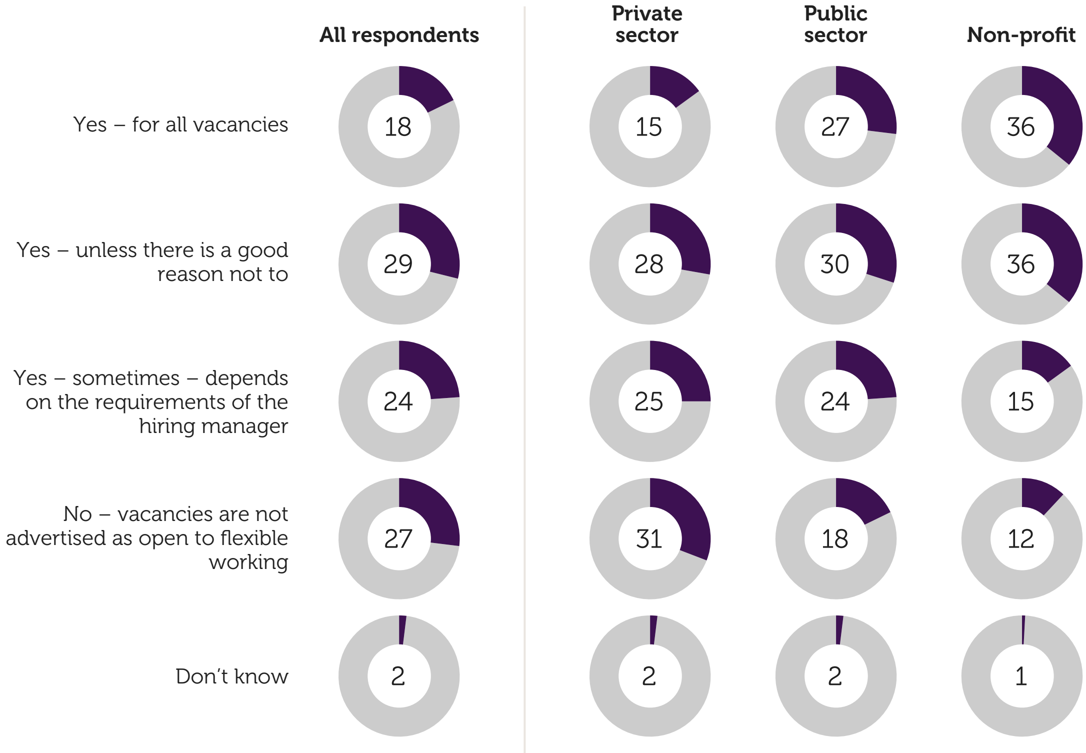
For advice and a range of practical tools to help you recruit, manage and support young people, see the CIPD resources Recruiting young people and non-graduates and Recruiting young people tools.

5 Flexible and hybrid/remote working

Many advertise jobs as open to flexible working

Enhancing flexible working was among the most common approaches used over the past year to improve employer brand (Figure 12), attract diverse candidates (Figure 17) and address recruitment challenges (Figure 42). Overall, nearly three-quarters (71%) advertise at least some jobs as open to flexible working, with non-profit and public sector organisations, as well as larger organisations across all sectors, most likely to do so (Figure 24).

Figure 24: Does your organisation advertise any job vacancies as open to flexible working? (%)



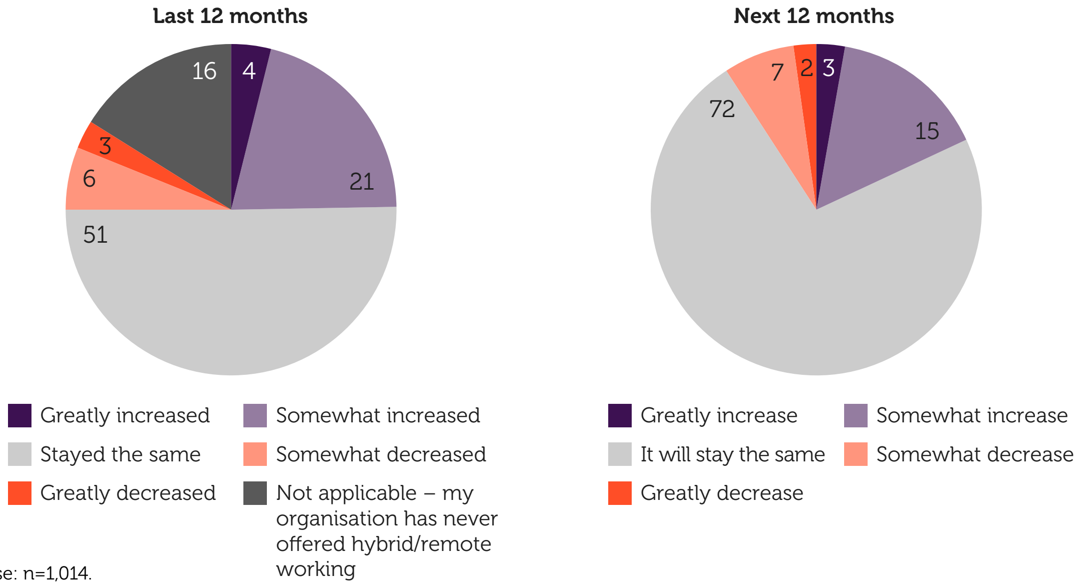
Base: n=1,014.

Continued use of hybrid/remote working

Most employers offer some hybrid/remote options, while a quarter (25%) of organisations have increased their use of hybrid/remote working over the last 12 months and just 9% decreased their use (Figure 25).

Organisations are twice as likely to anticipate a rise than a fall in hybrid/remote working over the next year. Private sector organisations are most likely to anticipate further increases (21%; public sector: 12%; non-profits: 9%). Public sector organisations may have less capacity for expanding hybrid options due to their high proportion of front-line roles.

Figure 25: Changes in the use of hybrid/remote working over the last 12 months and anticipated changes over the next 12 months (%)



Base: n=1,014.

Retention, productivity and engagement benefits from hybrid/remote working

Hybrid/remote working may be offered for a wide range of reasons. Around one in three of those who offer hybrid/remote working report their productivity (34%), retention (34%) and engagement (33%) has improved as a consequence. Of the remaining approximately two-thirds, most believe hybrid working has resulted in no change while a smaller proportion report a negative impact (Figure 26). Respondents are most negative regarding the impact of hybrid/remote working on engagement in the organisational culture, with almost a fifth saying it has decreased engagement in the organisational culture (54% report no change, 27% say it has increased).

Hybrid working arrangements vary across organisations and there is no one-size-fits-all model. Individual organisations need to decide what approach works for them, ensuring that any flexibility provided to staff does not undermine the needs of the business. Previous CIPD research[8] suggests that managing and supporting hybrid/remote workers effectively is important for its success. Thirty-four per cent of those who offer these options report they have reviewed their induction/onboarding approach for home/hybrid workers over the last 12 months (7% were unsure). These reviews commonly included support with understanding the organisational culture and making induction a key part of management training (Figure 27).

[8] https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/2025-pdfs/8909-flexible-working-report-web.pdf

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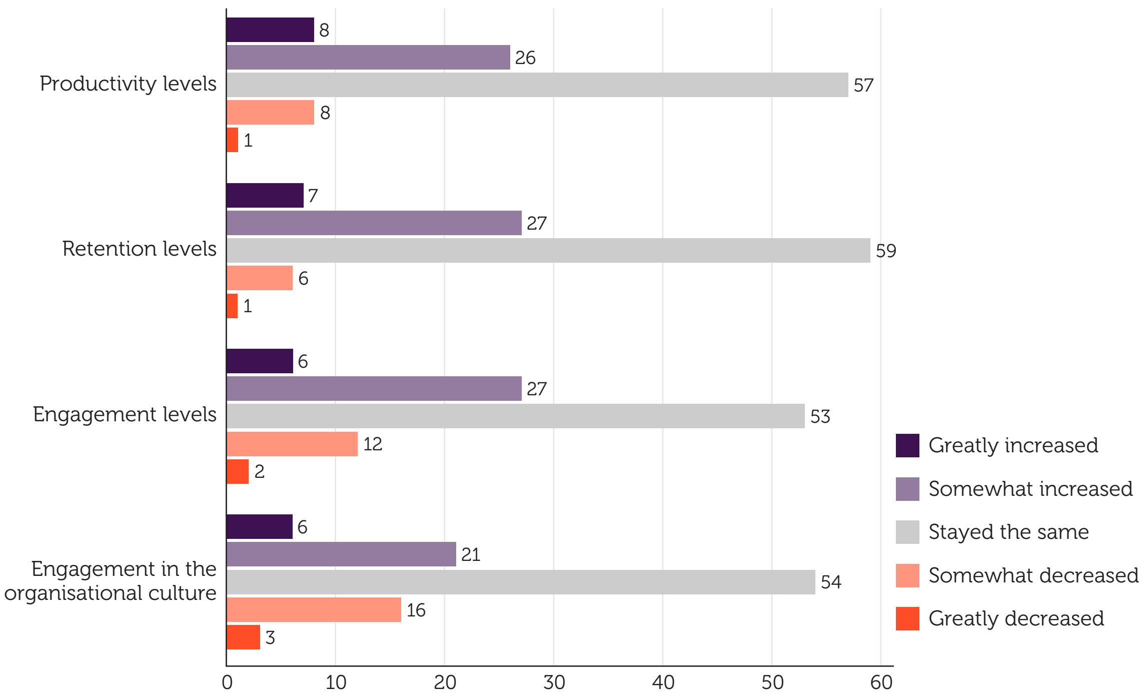
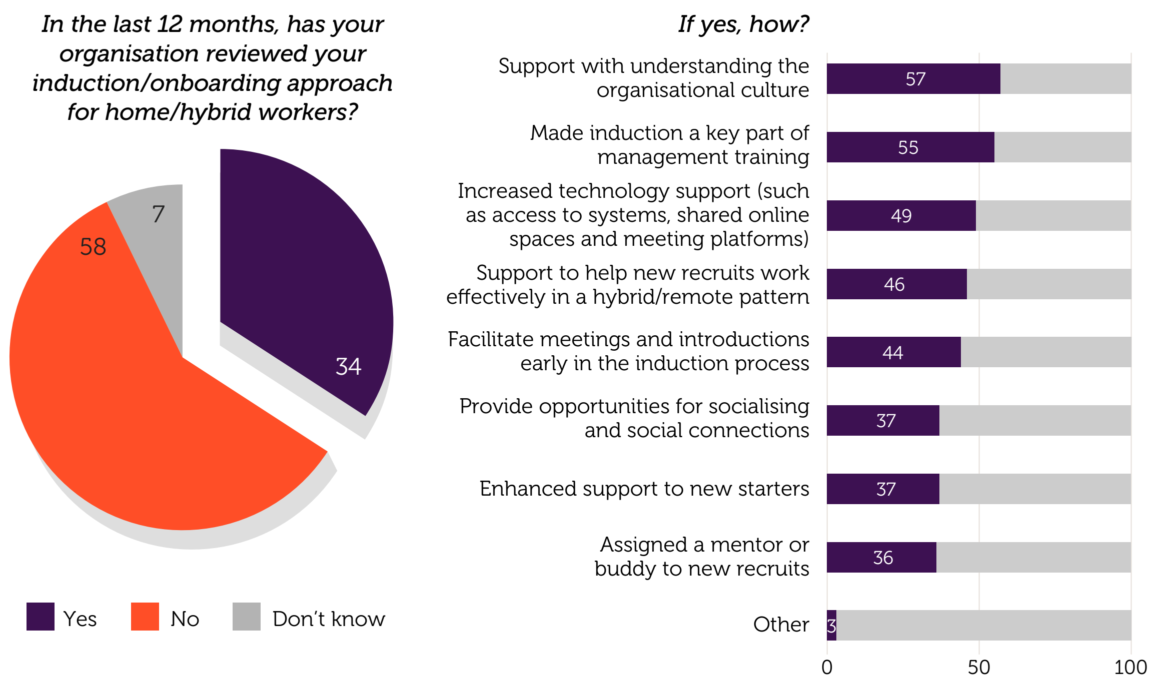
Figure 26: Have any of the following increased or decreased as a result of your organisation offering hybrid/remote working? (% of those that have offered hybrid/remote working)



Base: n=830.

Figure 27: Whether and how organisations have reviewed their induction/onboarding approach for home/hybrid workers in the last 12 months (% of respondents that have remote/hybrid workers)



Base: n=830.

Base: n=251.

For further information and resources (including factsheets, guides, tools, research, thought leadership, podcasts, webinars and case studies) on flexible and hybrid working, see the CIPD's Flexible and hybrid working.

6 Selection processes

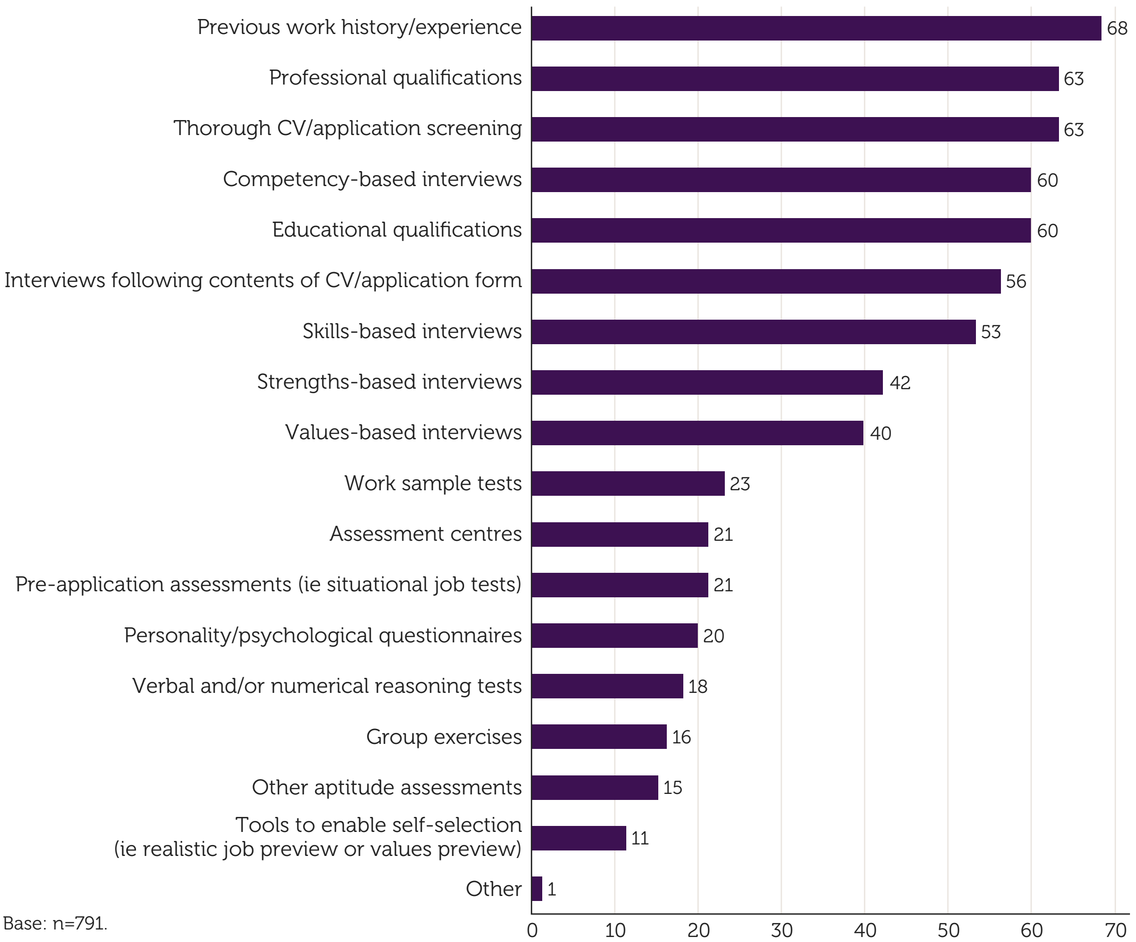
Little change in the use of screening tools

Most organisations that reported to have conducted hiring activity in the last 12 months use a combination of methods to recruit (Figure 28). Just over two-thirds (68%) consider previous work history/experience and almost all (96%) use some form of interview. Competency-based interviews (60%) and interviews that follow the contents of CVs/applications (56%) are the most popular type of interview used. Values- and strength-based interviews are more common in the public sector and non-profits than the private (Values – public sector: 47%; non-profits: 57%; private sector: 37%; Strength: public sector: 50%; non-profits: 48%; private sector: 38%).

Public sector organisations are particularly likely to include both professional qualifications (82%; private sector: 58%; non-profits: 63%) and educational qualifications (78%; private sector: 55%; non-profits: 58%) in their selection methods. Across all sectors, just under two-thirds (63%) conduct thorough CV/application screening.

Over three-fifths of organisations (63%) use some form of test or assessment[9]. Despite the growing challenge of applications from unsuitable candidates, the proportion using self-selection tools (11%) or pre-application assessments (21%) remains low.

Figure 28: Methods used to select applicants (% of those with recruitment activity over the last 12 months)



Base: n=791.

[9] Including verbal and/or numerical reasoning tests, work sample tests, pre-application assessments, assessment centres, personality/psychological questionnaires, group exercises, other aptitude assessments.

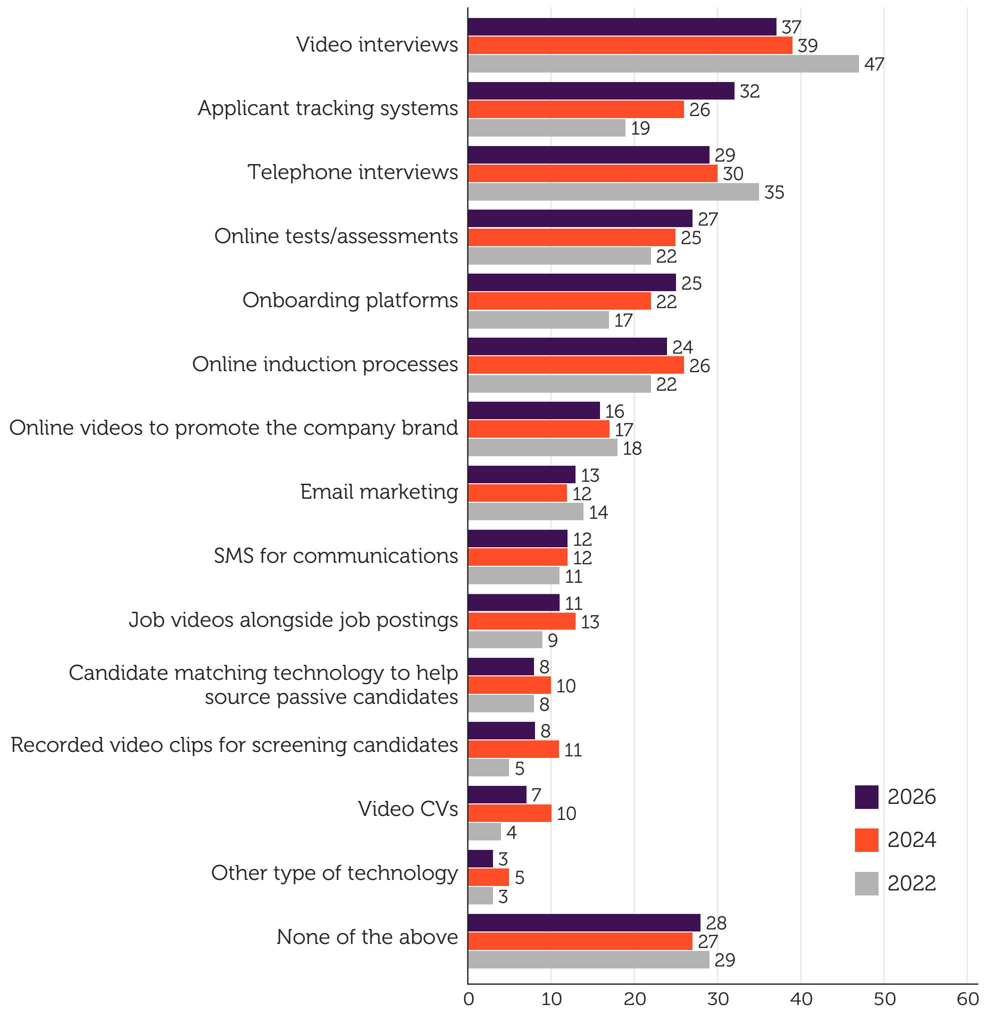
Slow uptake of recruitment technologies and AI

The adoption of many recruitment technologies remains fairly limited, particularly in smaller organisations (53% of SMEs used none of the technologies in Figure 29 compared with 10% of larger organisations). Figure 29 shows incremental growth in the use of applicant tracking systems, online tests/assessments and onboarding platforms. At the same time, the proportion of those using video and telephone interviews has fallen. Given our findings above that 96% of organisations use interviews in their selection process, this suggests that organisations are reverting to face-to-face interviews.

Similarly, there have only been marginal increases in the use of artificial intelligence (AI) in recruitment processes over the last two years (Figure 30). The most notable changes have occurred in attraction and screening processes, although AI adoption in these areas, and across recruitment as a whole, remains low.

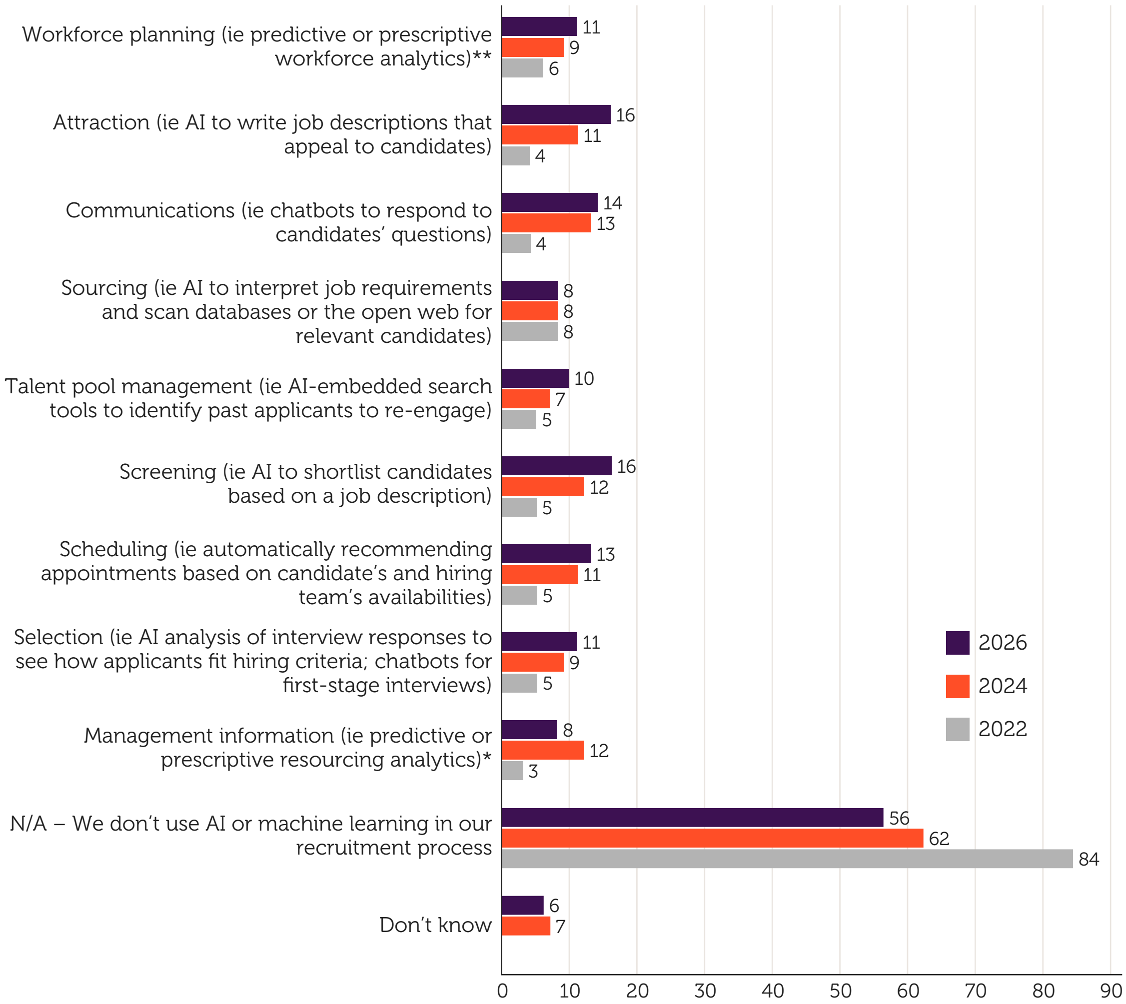
Public sector and non-profit organisations remain less likely than those in the private sector to use AI or machine learning in any of their recruitment processes (public sector: 68% don't use; non-profits: 71%; private sector: 52%). Larger organisations are most likely to use AI/machine learning (80% of SMEs are not using AI/machine learning in any of their recruitment processes compared with 38% of larger organisations). Return on investment is likely to be higher in organisations with greater recruitment requirements.

Figure 29: The use of technologies in the recruitment process (%)



Base: n=1,014 (2026); n=1,016 (2024); n=1,055 (2022).

Figure 30: The use of AI or machine learning in recruitment processes (%)



*Wording changed in 2026. Previously: 'Management information (predictive analysis for resourcing effectiveness).'

** Wording changed in 2026. Previously: 'Workforce planning (ie predictive analytics for workforce analysis).'

Base: n=1,014 (2026); n=1,016 (2024); n=1,055 (2022).

Technology is speeding up the recruitment process and improving candidates' experience

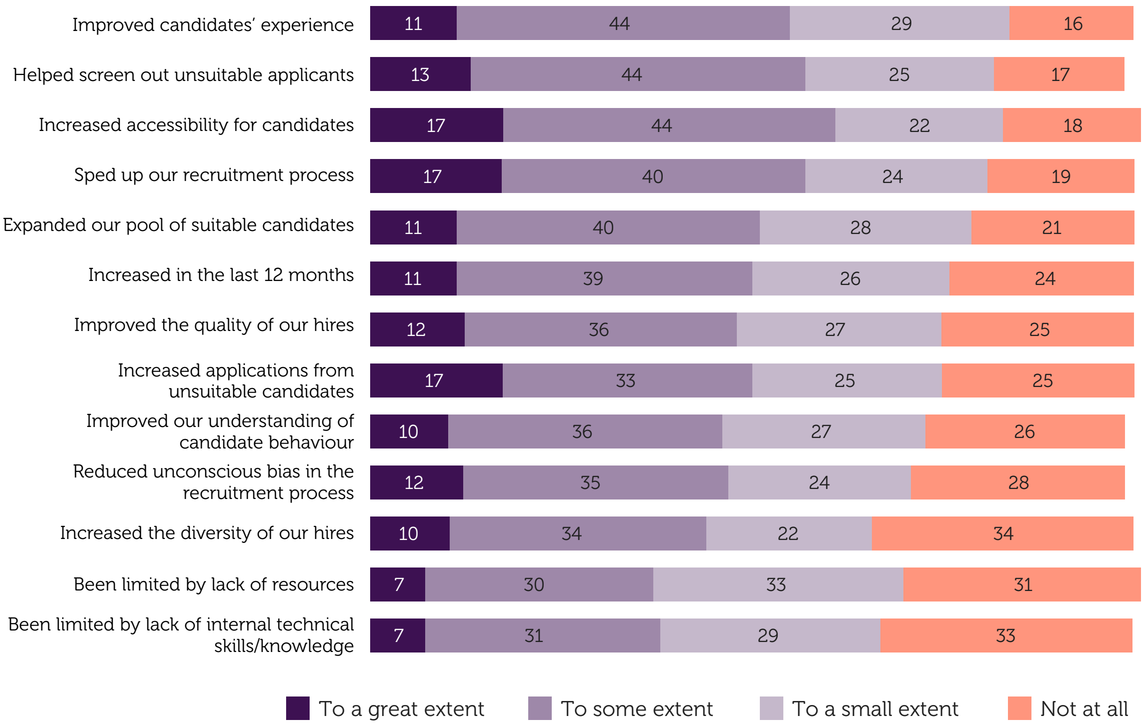
Approximately three-quarters (76%) of organisations that use technology in the recruitment process report their use has increased over the last 12 months (Figure 31). Most users report a number of advantages – from speeding up the recruitment process and improving candidates' experience to increasing accessibility, expanding the pool of suitable candidates, increasing the diversity of hires and improving the quality of hires – although the extent of these benefits varies.

Many have found that increasing accessibility also results in more applications from unsuitable candidates and, although technology can also help screen these out, just 13% report their use helps them do this to a great extent, reflecting our findings above (Figure 28 and Figure 30) that just a minority use screening or self-selection tools.

Compared with 2024, fewer organisations report their use of technology has been limited by a lack of internal technical skills/knowledge (2026: 38% to a great or some extent; 2024: 44%) and/or resources (2026: 37% to a great or some extent; 2024: 47%). This may reflect growing awareness of the benefits of investing in technology.

Nevertheless, most of those that use technology feel these factors have limited their use at least to a small extent. Appropriate and targeted investment may enable organisations to further refine and improve their recruitment process and outcomes.

Figure 31: To what extent has your organisation's use of technology in the recruitment and onboarding process…? (% of those that use technology)



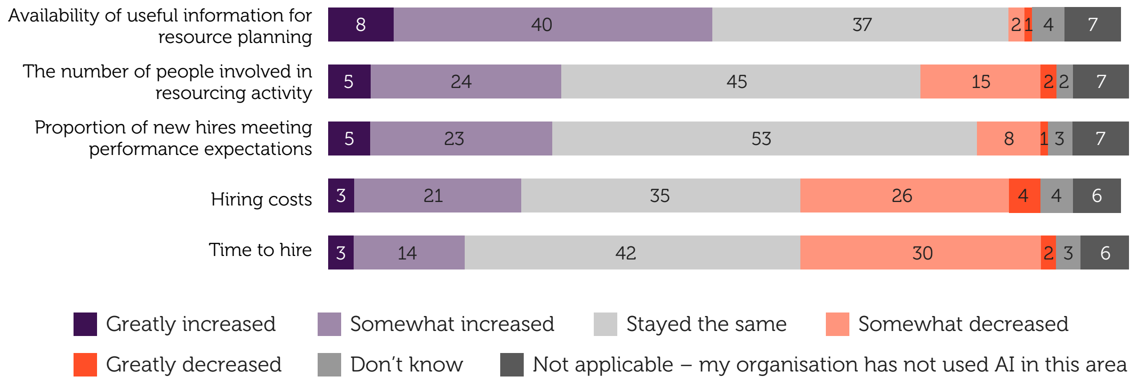
Base: n=659.

AI supports resource planning

While the adoption of AI in recruitment processes remains limited, nearly half (48%) of those using it report it has increased the availability of useful information for resource planning (Figure 32). Just over a quarter (28%) report it has increased the proportion of new hires meeting performance expectations, although a small proportion (9%) report a negative impact here.

For just under a third, using AI has brought benefits in terms of reduced hiring costs (30%) and time to hire (32%), although some report increases in these areas, part of which may be due to the time and costs required to embed AI into recruitment processes. As we found in 2024, respondents were more likely to indicate that using AI has increased the number of people involved in resourcing activity than decreased it.

Figure 32: Have any of the following increased or decreased as a result of your organisation using AI? (% of those that use AI in recruitment processes)



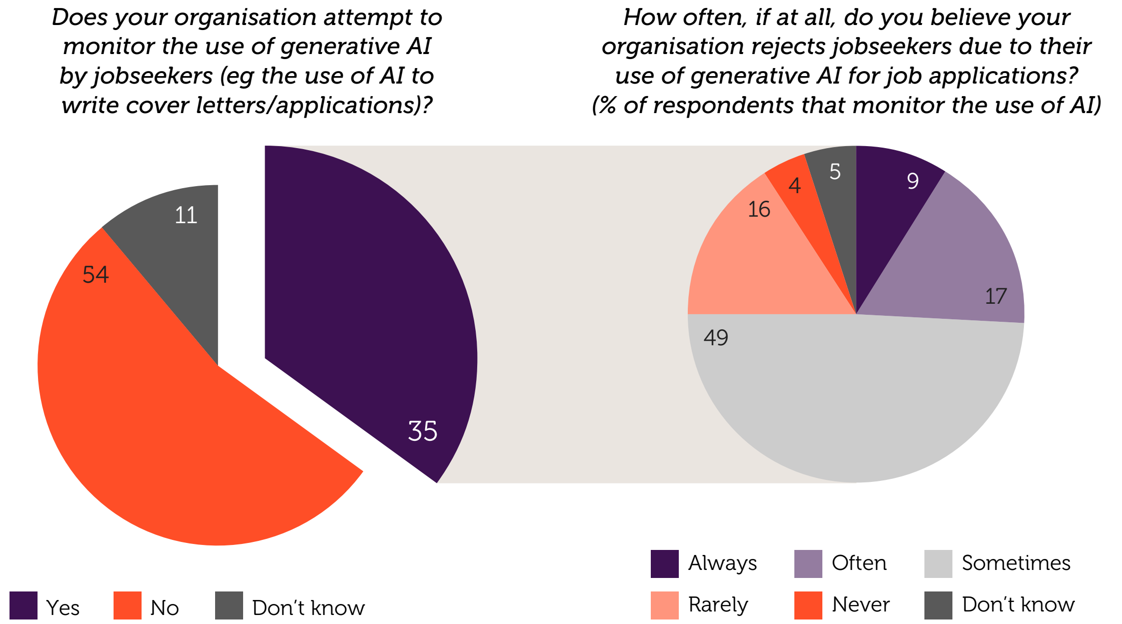
Base: n=314.

Just over a third monitor jobseekers' use of generative AI

There is a lot of discussion in HR media around how jobseeker use of AI is making it difficult to assess the authenticity of applications. Overall, 35% of employers (42% of large organisations) attempt to monitor the use of generative AI by jobseekers (11% were unsure) (Figure 33). Of these, 75% report they reject jobseekers due to their use of generative AI at least some of the time. In addition, around one in five organisations (21%; 10% don't know) have changed their assessment methods to minimise the use of AI by jobseekers (eg moving away from situation judgement tests to personality tests).

For more information, see the CIPD guide AI use in the workplace: Practical advice for HR professionals.

Figure 33: Monitoring the use of generative AI by jobseekers (%)



Base: n=1,014.

Base: n=280.

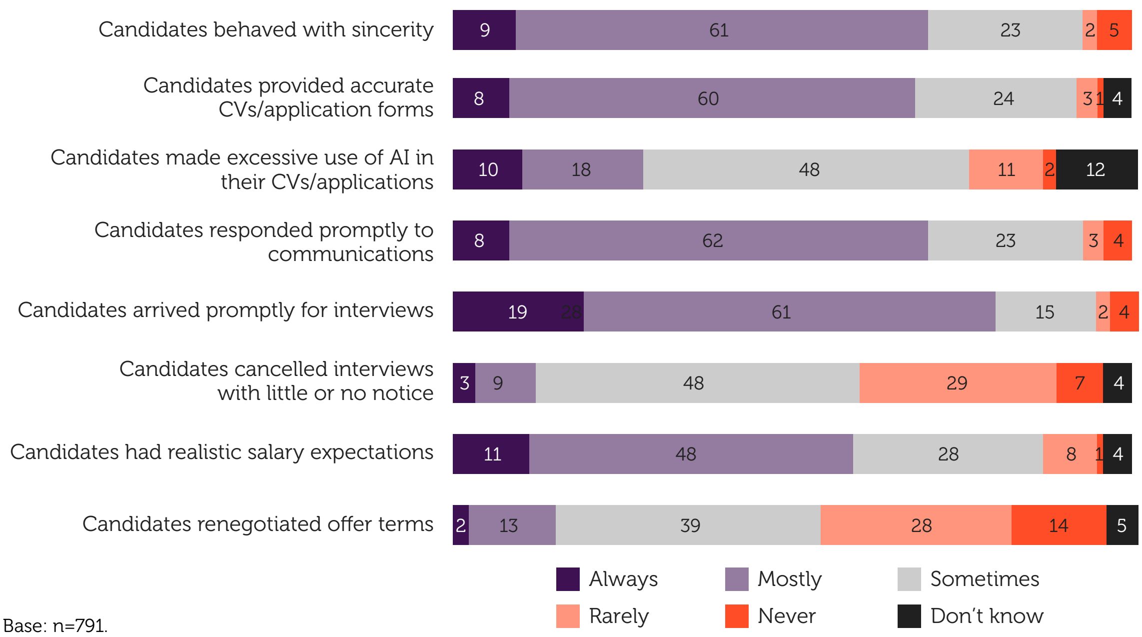
Fewer candidates dropping out

Most organisations that attempted to recruit over the last 12 months report that candidates generally behaved with sincerity and responded promptly to communications, although nearly a quarter report this was only sometimes the case (Figure 34). Moreover, while around two-thirds (68%) believe that candidates commonly provided accurate CVs/application forms, 27% report that candidates mostly or always made excessive use of AI in their application.

Compared with 2024, selected candidates were less prone to reneging on offers, failing to turn up on their first day or resigning within the first 12 weeks (Figure 35).[10] This reflects the tightening labour market, although our findings also indicate a greater focus on speedier recruitment processes and the candidate experience, which can enhance recruits' commitment (see Section 9, Workforce planning and data-driven decision-making). In addition, 29% of those undertaking retention initiatives have improved their induction/onboarding process (Figure 40).

As in previous years, private sector organisations were less likely to report that most candidates had realistic salary expectations (private sector: 56% 'always or mostly' compared with 69% of the public and 68% of non-profits) and more likely to report they renegotiated offer terms (private sector: 18% 'always or mostly' compared with 7% of the public and 8% of non-profits) compared with public and non-profit sector organisations. This is less of an issue for public sector organisations where roles typically have publicly available pay grades and salary bands. Non-profit organisations also tend to be more transparent than the private sector in publishing salary ranges in their job listings.[11]

Figure 34: Candidates' behaviour over the last 12 months (% of respondents that attempted to recruit)



Base: n=791.

[10] 2026 v 2024: Candidates accepted offers and then subsequently declined: Chi-square=25.6, df=4, p<0.001, n=1,586; 2026 v 2024: Selected candidates did not arrive to work on their first day: Chi-square=19.9, df=4, p<0.001, n=1,547; 2026 v 2024: Selected candidates joined and then resigned within the first 12 weeks: Chi-square=30.4, df=4, p<0.001, n=1,555. 'Don't know' responses excluded for comparison across years.

[11] CIPD. (2024) Pay, performance and transparency 2024. London: Chartered Institute of Personnel and Development.

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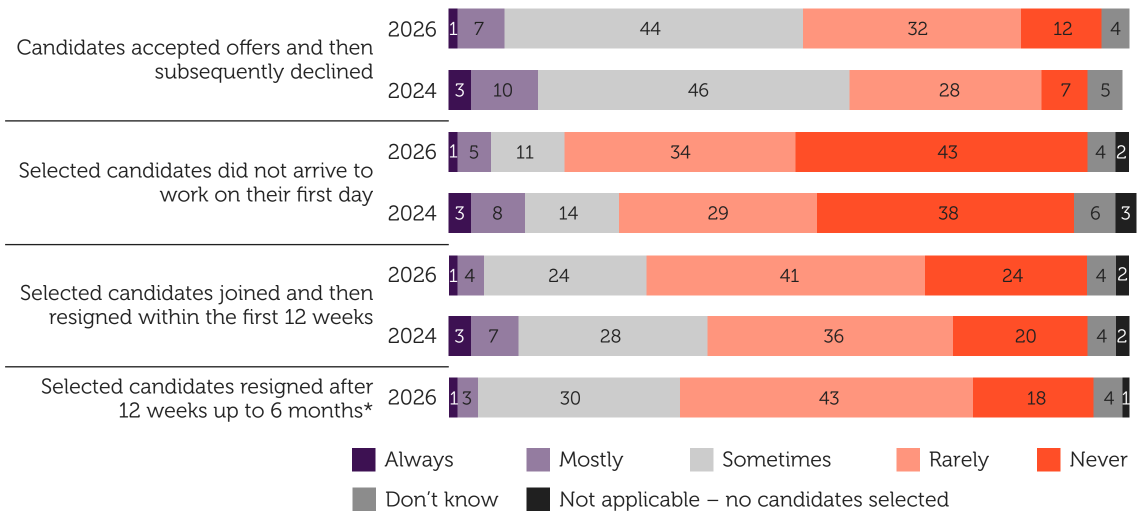
Figure 35: Decrease in candidate dropout (% of respondents that attempted to recruit)



Base: n=791 (2026); n=815 (2024).
*The item 'Selected candidates resigned after 12 weeks up to 6 months' was not included in 2024.

For further information and guidance on selection methods, see the CIPD factsheet Selection methods.

7 Recruitment difficulties

Just over half experienced challenges attracting candidates

Across all sectors, just over half (53%) of organisations that attempted to recruit over the last year experienced difficulties attracting candidates.[12] This has fallen compared with previous years (2024: 64%; 2022: 77%), reflecting lower levels of vacancies and the softer labour market. Senior and skilled positions remain the most difficult to recruit for, although 18% report challenges attracting low-skilled candidates (Figure 36).

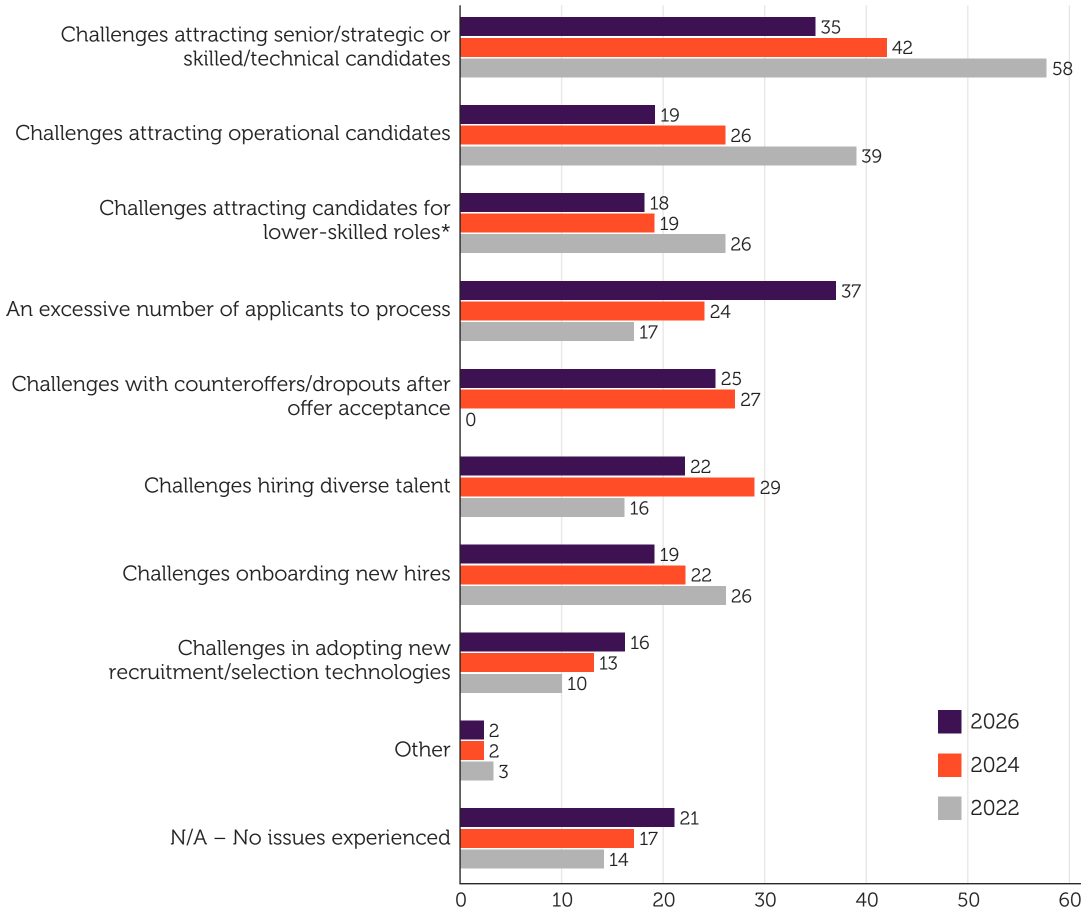
At the same time, a growing challenge is an excess of applicants to process. Figure 4 shows that 33% of employers have seen an increase in suitable applicants over the last year and 58% an increase in unsuitable candidates. Online application processes broaden the net to suitable and unsuitable candidates alike, but, as seen above (Figures 28 and 30), the adoption of systems and technologies to help screen out unsuitable candidates remains limited.

A quarter (25%) reported challenges with counteroffers or dropouts after offer acceptance, although there has been a small downward trend in the proportion experiencing challenges onboarding new hires, in line with the findings above (Figure 35) that early resignations have decreased.

Just over a fifth (22%) experienced challenges hiring diverse talent. While 46% of recruiting organisations report they hired a more diverse workforce over the last 12 months compared with the previous year, 16% disagreed that this was the case (Figure 4). Our findings above (Section 4, Strategies for diversity and pathways to employment) show that many organisations could make a more concerted effort to attract and recruit diverse candidates.

[12] This includes challenges attracting senior/strategic or skilled/technical candidates, operational candidates and/or candidates for lower-skilled roles.

Figure 36: Recruitment challenges experienced in the last year (% of those that attempted to recruit)



* Reworded in 2026. In 2024 and 2022, this was: 'Challenges attracting low-skilled candidates.'

Base: n=791 (2026); n=815 (2024); n=778 (2022).

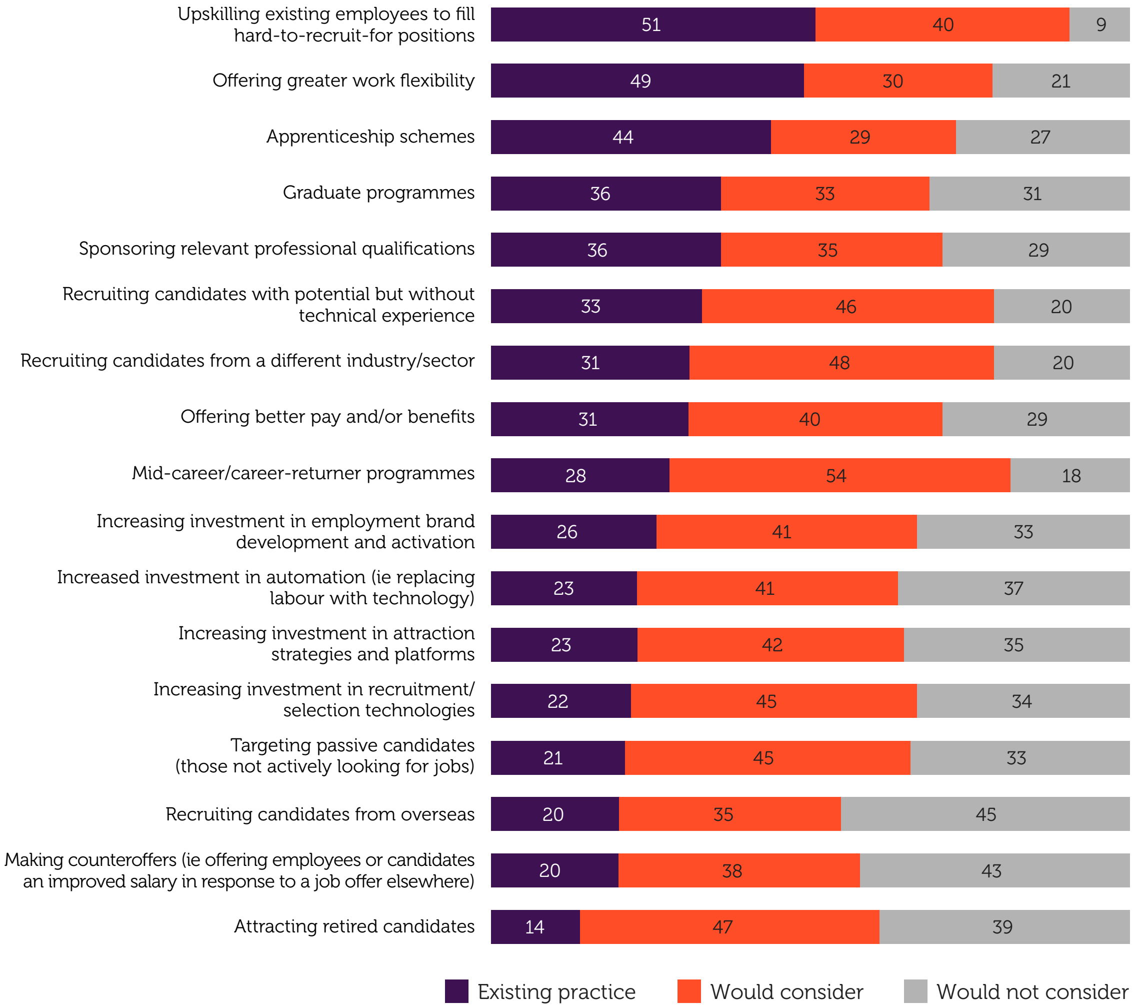
Recruitment challenges addressed through training and flexible working

Many organisations are addressing their recruitment challenges through developing the skills they need internally. Upskilling existing employees, apprenticeship schemes, graduate programmes and sponsoring relevant professional qualifications remain among the most common approaches to reduce recruitment difficulties, while around one in three are turning to people with potential or from a different sector/industry who can be developed on the job (Figure 37).

As in previous years, offering greater work flexibility is also commonly used to reduce recruitment difficulties, particularly in non-profit organisations. This can be a low-cost way of opening opportunities to a wider segment of the labour market.

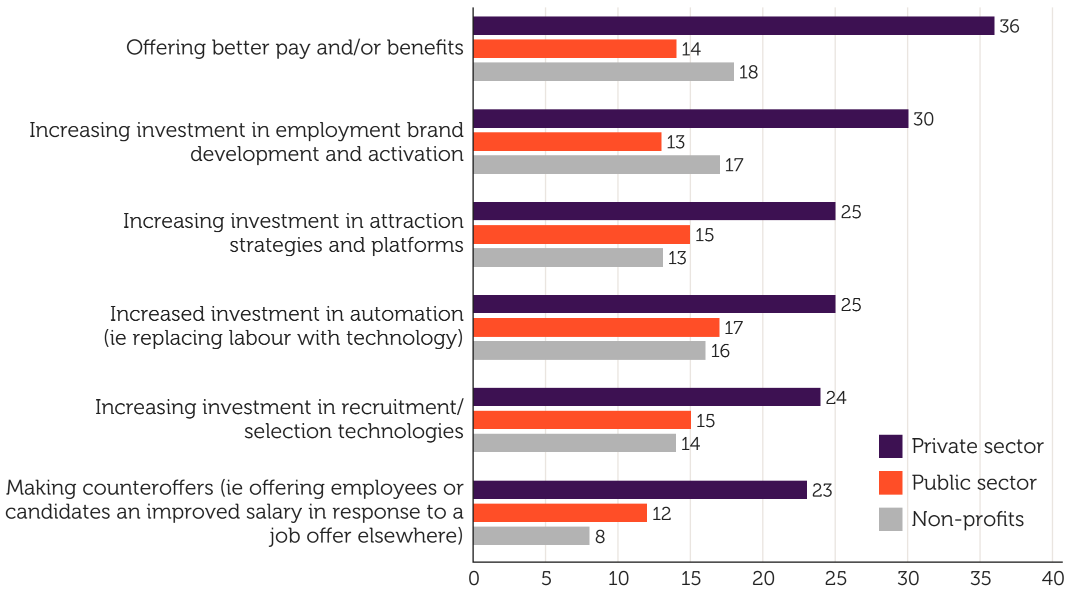
Fewer organisations are looking overseas to mitigate recruitment challenges (2026: 20%; 2024: 31%), reflecting our findings above (Impact of changes to migration rules). The proportion attempting to combat recruitment challenges through better pay and benefits (2026: 31%; 2024: 41%) and through counteroffers (2026: 20%; 2024: 28%) has also fallen. Both of these strategies remain more common in the private than public or non-profit sectors. Private sector organisations are also more likely than those in the public sector or non-profits to address recruitment challenges through increased investment in their employer brand, attraction and recruitment strategies, and in automation to replace labour.

Figure 37: Practices undertaken to reduce recruitment difficulties (%)



Base: n=1,014.

Figure 37a: Sector differences in practices currently undertaken to reduce recruitment difficulties by sector (% existing practice)



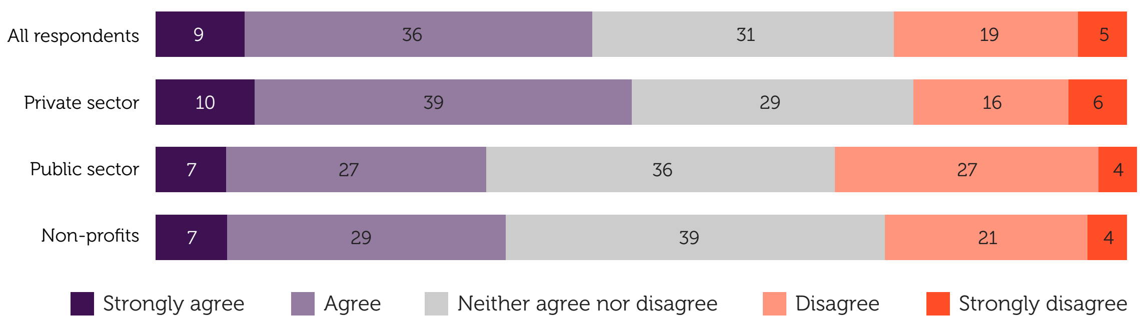
Base: n=1,014 (Private sector: 611: public sector: 274; non-profits: 129).

8 Talent management and retention

Private sector CEOs more likely to prioritise talent management

In similar findings to 2024, talent management remains a top priority for 45% of CEOs, heavily led by the private sector (Figure 38). In contrast, three in ten (31%) public sector respondents disagree that their CEO prioritised talent management over the last 12 months. Squeezed public sector finances have led to reduced talent management budgets (Figure 10) as well as recruitment freezes and redundancies across several UK government departments. With nearly half (49%) of public sector organisations reporting that talent is more difficult to retain compared with a year ago (and just 19% disagreeing with this), this is a growing concern.

Figure 38: Over the last 12 months, our CEO has had talent management as a key priority (%)



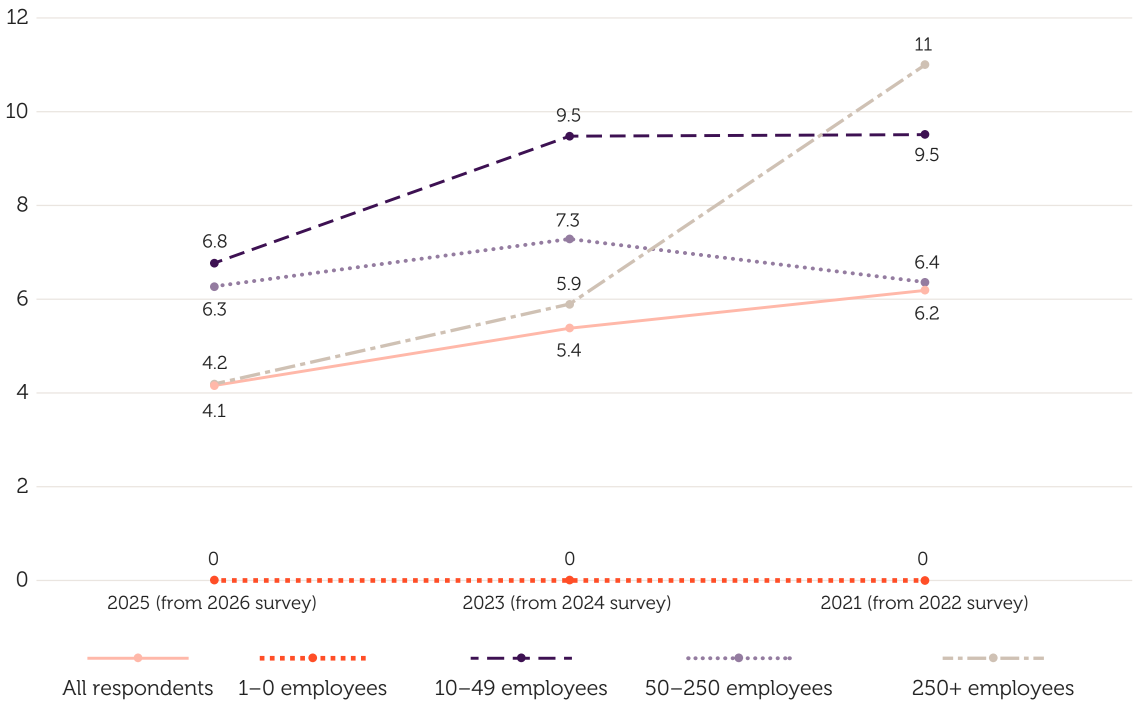
Base: n=1,014.

Labour turnover remains low

In total, 310 respondents gave complete figures for calculating their labour turnover. A disproportionate number of these were from very small organisations where there was no or very low turnover over the last year. There was also considerable variation across organisations, so caution is required in comparing and interpreting the figures. Nevertheless, Figure 39 suggests that the median rate of labour turnover for 2025 (4.1%; 2023: 5.4%) has fallen. As in previous years, the majority of turnover from this sample is attributed to employees leaving voluntarily.

1 2 3 4 5 6 7 8 9

Figure 39: Labour turnover rates (%)*



*Labour turnover rate = (number of leavers/average number of employees) × 100.
Base: n=310 (2026); 285 (2024); 393 (2022).

Most organisations don't calculate the cost of labour turnover

Understanding the financial impact of employee departures can enable organisations to be more strategic in their retention strategies. Of those that were aware of turnover data, just 24% say their organisation calculates its cost (8% don't know). Large private sector organisations are more likely to do so (41%, compared with 15% of private sector SMEs, 12% of the public sector and 8% of non-profits).

Nearly two-fifths undertook retention initiatives

Overall, 37% of organisations took steps to improve retention over the last 12 months. This is slightly down on our findings from 2024 (42%) and corresponds with the slight fall in the proportion of organisations that report talent has been more difficult to retain over the last year (44%, down from 56% in 2024). Larger organisations, particularly those in the private sector, were most likely to undertake retention initiatives (SMEs: 22%; larger organisations: 48%).

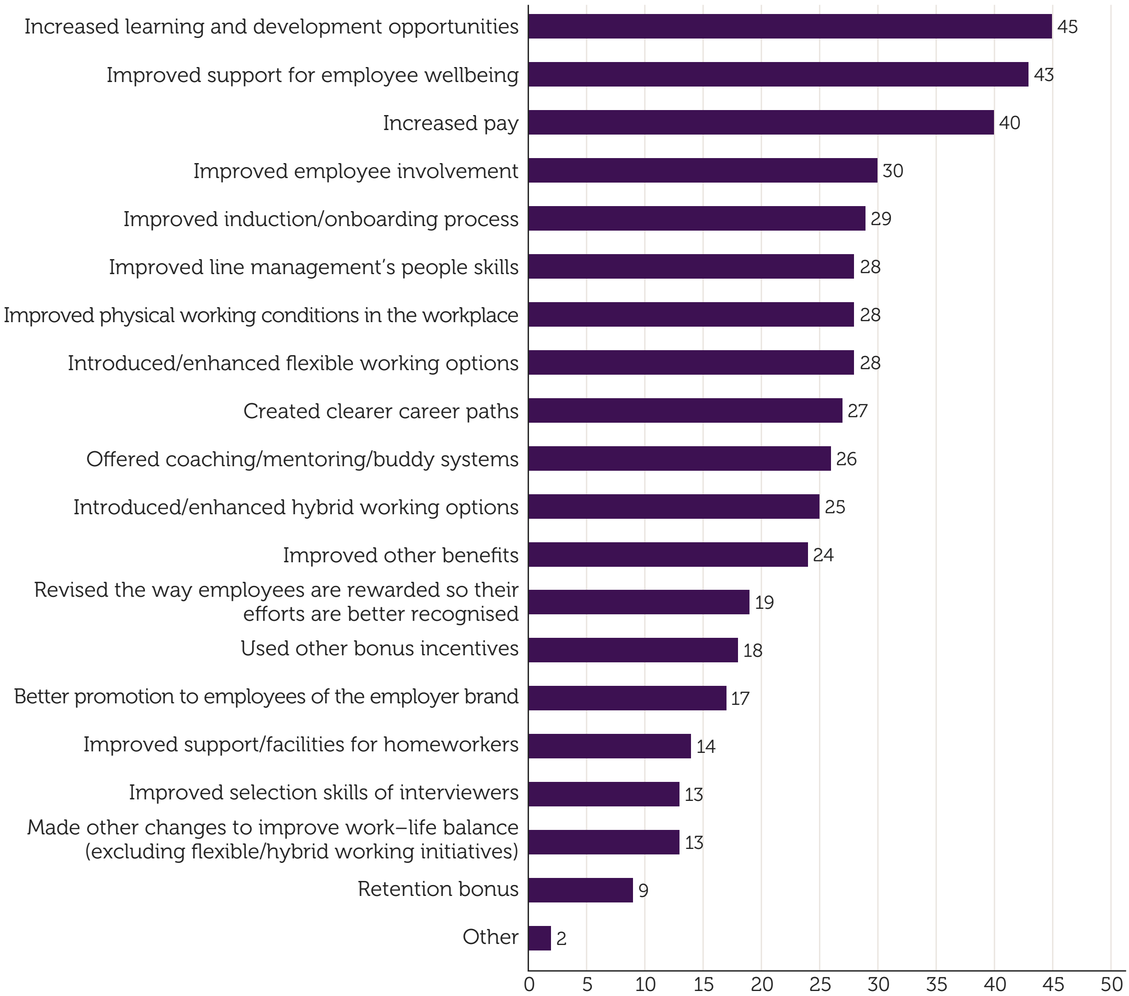
Increasing learning and development opportunities, improving support for employee wellbeing and increasing pay remain the most common methods used to retain employees (Figure 40), although increasing pay is more common in the private sector than the public (private sector: 42%; public sector: 26%), while public sector organisations are more likely to focus on improving wellbeing (57%; private sector: 41%).[13]

An effective retention strategy begins with ensuring the right people are in place and new recruits are integrated effectively into the organisation: 13% of organisations have taken steps to improve retention through improving the selection skills of interviewers

[13] Non-profit organisations are not included in sector comparisons here due to the small base for this question.

and 29% have improved induction/onboarding processes. Providing ongoing support is also critical, demonstrating a commitment to wellbeing and productivity: 28% of organisations have improved line management people skills and 26% offer coaching/mentoring buddy systems as part of their efforts to support retention.

Figure 40: Steps taken to improve employee retention in the last 12 months (% of respondents whose organisations have undertaken specific initiatives)



Base: n=318.

For further information and resources on talent management (including factsheets, guides, tools, research, thought leadership, podcasts and case studies), see the CIPD's Talent management.

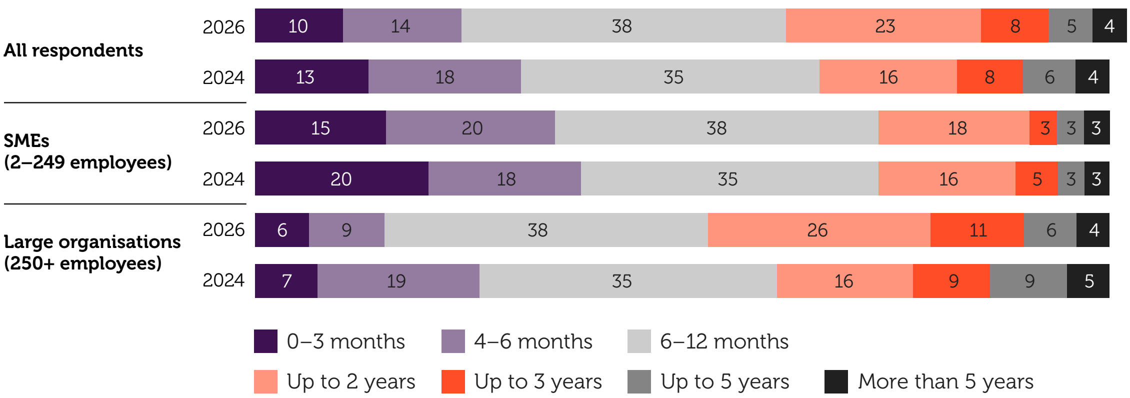
9 Workforce planning and data-driven decision-making

Workforce planning is the process of balancing labour supply (skills) against the demand (numbers needed) to accomplish short- and long-term goals. It can enable sustainable organisation performance through better decision-making about the future people needs of the business.

Shift from short- to medium-term workforce planning timeframes

Figure 41 suggests that more organisations have extended their workforce planning timeframes, at least from the short to the medium term, although there remains considerable variation between them. Overall, 24% take a short-term approach (up to six months), down from 31% in 2024, while 23% (up from 16% in 2024) are planning between one and two years ahead. Sixteen per cent are planning over two years into the future. Large organisations tend to have a longer-term outlook than SMEs, reflecting their larger workforce requirements.

Figure 41: How far ahead does your organisation look when planning and taking action on current and future workforce requirements? (%)



Base: n=1,014 (2026); n=1,016 (2024).

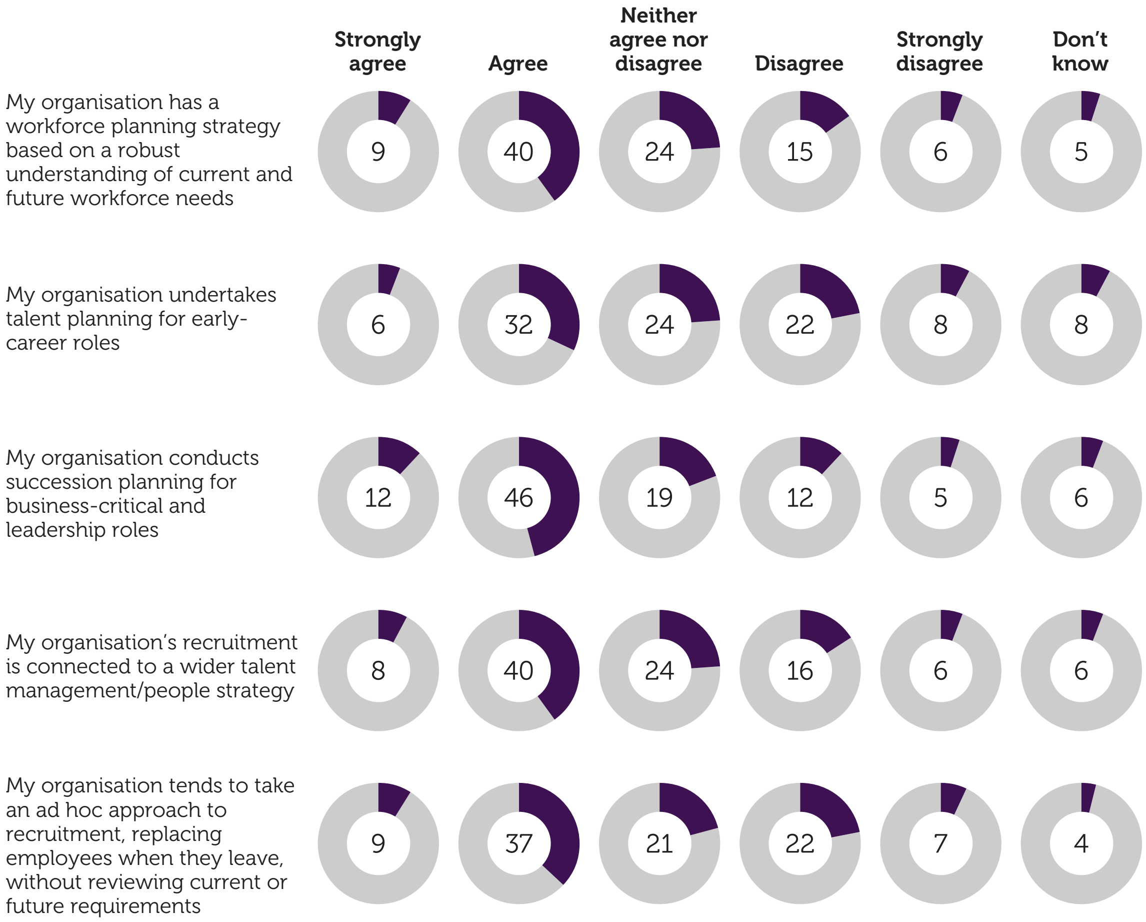
Strategic/ad hoc divide on workforce planning

Nearly half of respondents agree that their organisation has a workforce planning strategy based on a robust understanding of current and future workforce needs (49%) and that their recruitment is connected to a wider talent management strategy (47%), although a similar proportion report that they tend to take an ad hoc approach (46%) (Figure 42).

Succession planning for business-critical and leadership roles is more common than talent planning for early-career roles. Both are more widespread than average in larger private sector organisations.[14]

[14] My organisation conducts succession planning for business critical and leadership roles: Private sector organisations with 250+ employees: 74% agree or strongly agree; My organisation undertakes talent planning for early career roles: Private sector organisations with 250+ employees: 57% agree or strongly agree.

Figure 42: Approach to resourcing and workforce planning (%)



Base: n=1,014.

More organisations collect data to forecast hiring demands

Good-quality data underpins effective resourcing and talent management planning. Figure 43 suggests that many organisations may benefit from a more comprehensive approach to data collection to inform decisions. Just over a third (36%) are not collecting data in any of the areas explored. Even among larger organisations, which are more likely to collect data in all the areas explored, data collection remains limited: only 44% of organisations with 250+ employees collect data to identify skills gaps, 43% to forecast hiring demands, and 37% to identify retention issues.

Positively, there has been a gradual increase in the proportion of organisations that are collecting data to forecast hiring demands (31%, up from 26% in 2024 and 21% in 2022). Large private sector organisations lead this trend (50%) and are also most likely to collect data on the cost of investing in technology to automate (30%).

There has been little change in the collection of data in other areas. Overall, less than a quarter of organisations assess the availability of talent in the market or compare the cost of developing talent in-house versus recruiting externally (Figure 43).

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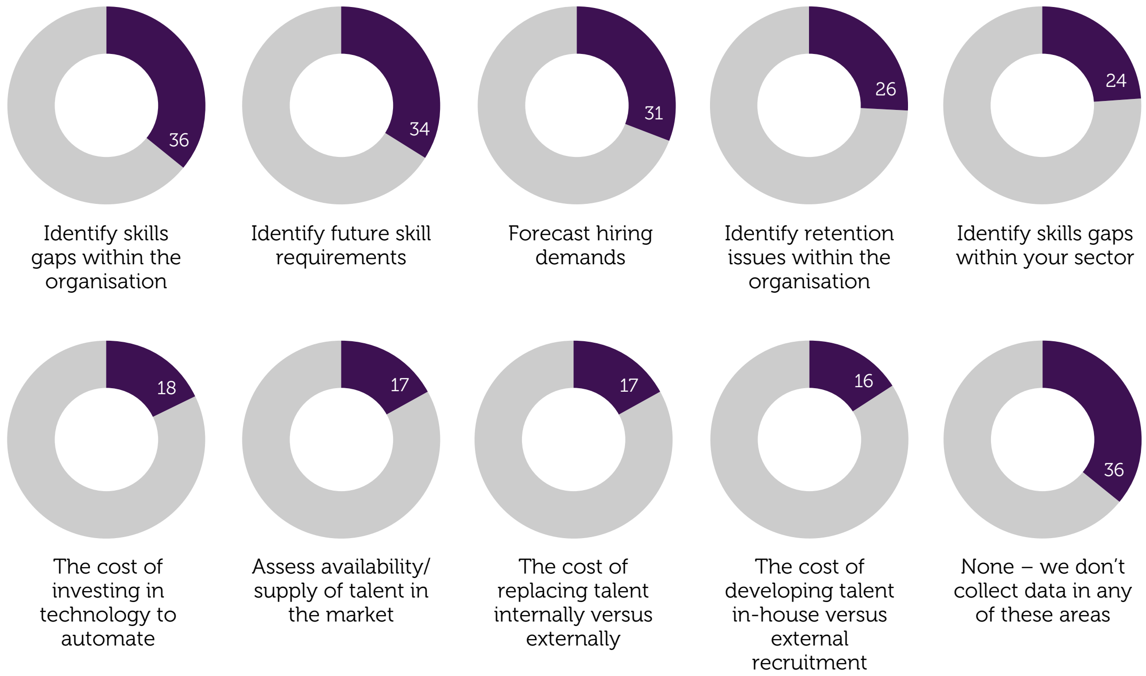
Figure 43: Does your organisation collect data in any of the following areas to inform decisions? (%)



Base: n=1,014.

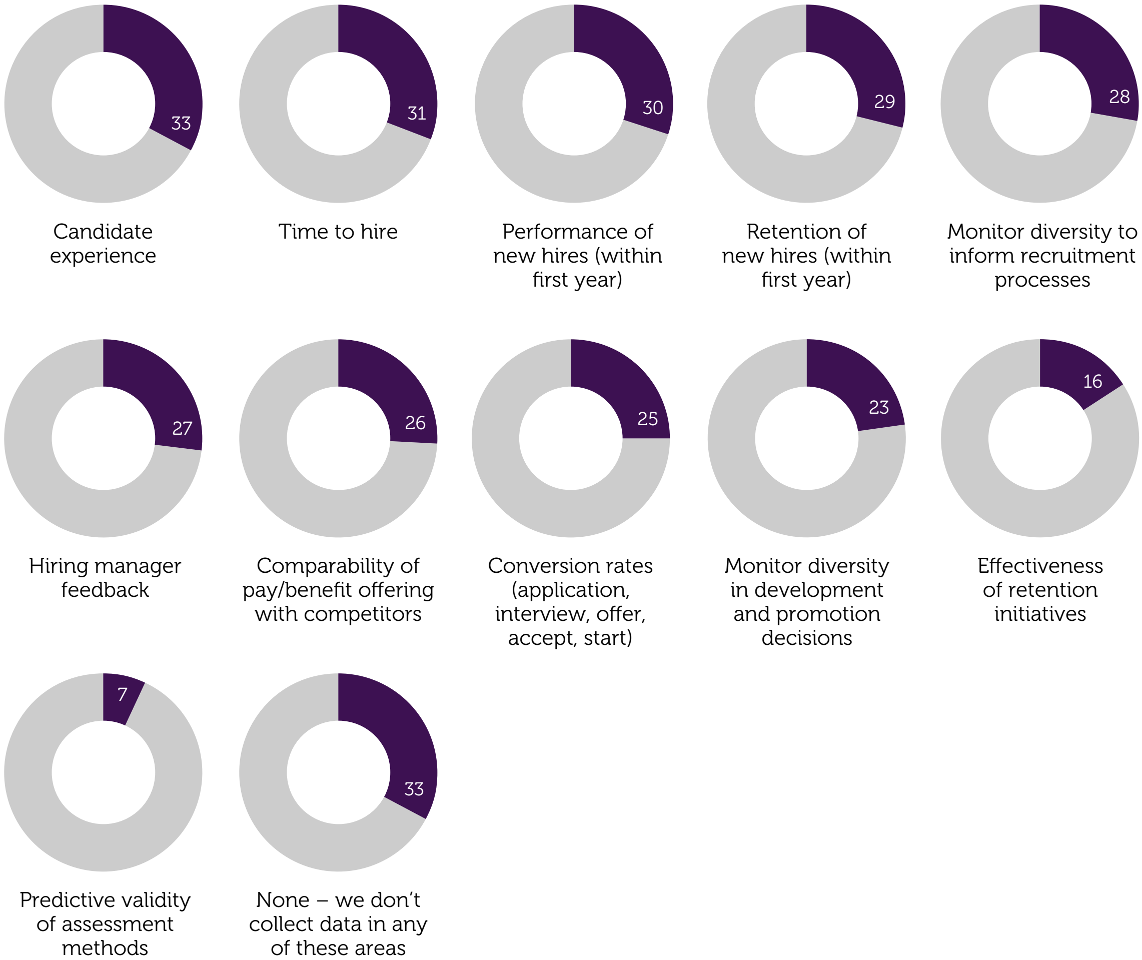
More organisations collect data on time to hire

The proportion of organisations tracking time to hire has risen to 31%, up from 21% in 2024. The growing use of technology platforms, including applicant tracking systems (Figure 29), may have facilitated this increase. Speeding up recruitment processes may also be related to an increased focus on improving candidate experience – 33% collect data on candidate experience, up from 27% in 2024.

Despite these positive trends, data collection across key resourcing metrics remains low (Figure 44). Three in ten measure the performance or retention of new hires within the first year, just 16% gather data to evaluate and improve the success of retention initiatives, and only 7% collect data on the predictive validity of assessment methods. As with workforce planning, larger organisations are more likely to collect data to inform their decisions in all the areas explored. In addition, organisations that collect some form of workforce planning data are also more likely to collect data in these areas (Figure 44).

As in previous years, public sector organisations are considerably more likely than private sector organisations to collect data to monitor diversity, both to inform recruitment processes (public sector: 40%; non-profits: 33%; private sector: 25%) and for development and promotion decisions (public sector: 31%; non-profits: 15%; private sector: 22%). Private sector organisations are more likely to compare their pay/benefit offering with competitors (private sector: 28%; non-profits: 25%; public sector: 18%).

Figure 44: Does your organisation collect data in any of the following areas to inform resourcing decisions (%)



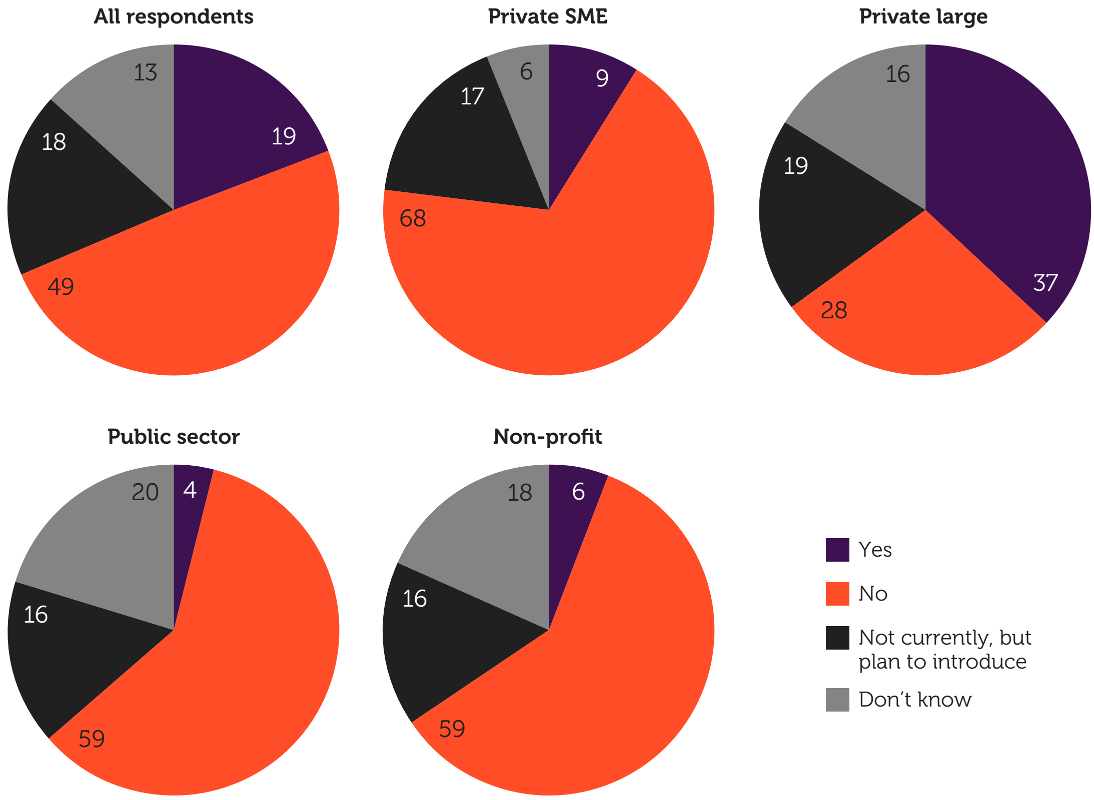
Base: n=1,014.

Around one in five measure return on investment of recruitment processes

Overall, 19% of organisations measure the return on investment (ROI) of their recruitment processes, although it is mostly large private sector organisations (37%) that do this (Figure 45). A further 18% report they plan to introduce these measures.

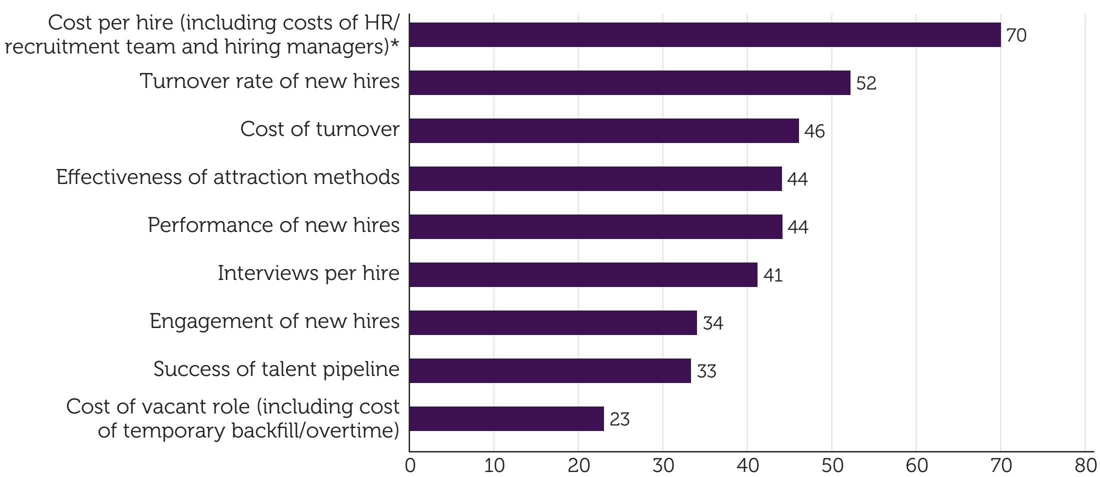
The most common method used is the cost per hire, followed by the turnover rate of new hires and the cost of turnover (Figure 46). More organisations this year are measuring return through the number of interviews per hire (41%, up from 27% in 2024), possibly facilitated by the increased use of technology.

Figure 45: Do you measure the ROI of your recruitment processes? (%)



Base: n=1,014.

Figure 46: Methods used to measure ROI of recruitment processes (% of respondents that measure ROI)



Base: n=141.

For further information and resources on workforce planning and evidence-based decision-making, see the CIPD's resources on Workforce planning, and the CIPD guides *Evidence-based HR: Make better decisions and step up your influence* and *Strategic workforce planning: Guide for people professionals*.

Background to the survey

This survey was conducted online from 2 April to 2 May 2026 by YouGov UK plc. In total, 1,014 UK-based HR/people professionals responded to the survey.

The CIPD *Resourcing and talent planning survey* (formerly known as the CIPD *Recruitment and retention survey*) has been exploring UK organisations' resourcing and talent planning practices and challenges since 1997. The last survey, prior to this one, was conducted in April 2024. In previous years the sample targeted respondents with senior HR/management responsibility. This year an additional criteria was included to target only people in senior HR/management roles whose role includes responsibility for resourcing and talent planning. Comparability with 2024 or other years need to be viewed with this in mind.'

The survey attempts to provide useful benchmarking data while also capturing trends and developments in resourcing practices and strategy. This year we included new questions on the impact of the Employment Rights Act 2025 on resourcing, the recruitment of young workers (aged 18–24) and organisations' responses to the use of generative AI by jobseekers.

Sample profile

An email link to the online survey was sent to a sample of people from the YouGov Plc UK panel of 2.5 million+ individuals who have agreed to take part in surveys. Pre-selection criteria ensured the sample contacted were in senior HR/management roles with responsibility for resourcing and talent planning and represented employers across the UK in terms of region, organisation size (excluding sole traders) and sector. A total of 1,014 UK-based professionals with responsibility for HR decision-making responded to the survey. The sample has been weighted to be representative of UK employers by proportion of employment within organisation size and sector using official labour market statistics (Table 2). In places, the report includes additional analyses conducted by the CIPD for comparison with previous years' findings.

Table 2: Profile of respondents

	Unweighted base	Unweighted base: n=%	Weighted base	Weighted base: n=%
Size of organisation (number of permanent employees)				
Fewer than 10 (excluding sole traders)	156	15	131	13
10–49	209	21	163	16
50–249	212	21	132	13
250–999	135	13	185	18
1,000–4,999	153	15	216	21
5,000 or more	149	15	187	18
Sector				
Private	611	60	761	75
Public	274	27	183	18
Non-profit	129	13	71	7

Table 2: Profile of respondents

	Unweighted base	Unweighted base: n=%	Weighted base	Weighted base: n=%
Industry				
Primary industries	13	1	16	2
Manufacturing and construction	124	12	160	16
Wholesale, retail and real estate	64	6	73	7
Information and communications	43	4	58	6
Transport and storage	17	2	24	2
Hospitality and leisure	53	5	64	6
Finance and insurance	39	4	58	6
Business services	107	11	128	13
Other service industries	77	8	89	9
Public administration	71	7	54	5
Education and health	253	25	201	20
Third sector	129	13	71	7
Other public sector organisations	24	2	18	2
Region				
North England	216	21	209	21
Midlands	146	14	137	14
East England	100	10	105	10
London	171	17	195	19
South England	245	24	242	24
Wales	46	5	42	4
Scotland	71	7	66	7
Northern Ireland	19	2	18	2
Total respondents	**1,014**	**100**	**1,014**	**100**

Note on abbreviations, statistics and figures used

Third sector organisations – non-profit, non-governmental (eg charity, social enterprise) – are referred to throughout the report as 'non-profits'.

'SMEs' (small and medium-sized enterprises) refers to organisations with up to 249 permanent employees (excluding sole traders, who did not take part in the survey due to relevance).

'Large organisations' refers to organisations with 250 or more permanent employees.

The median is used instead of the statistical mean in cases where the distribution is significantly skewed or there are extreme outliers.

Except for labour turnover rates, all numbers in tables and figures have been rounded to the nearest percentage point. Because of rounding, percentages shown may not always total 100.

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