

REHIRE RATE

Application	This measure will be useful for organizations that find there are productivity and cost advantages to hiring former employees. It will be especially useful for organizations that have specific initiatives around rehires, such as alumni tracking processes or alumni networks.
Description	Rehires as a percentage of total external hires.
Formula	$\text{Rehires} / \text{External Hires} * 100$

Interpretation Rehire Rate indicates the percentage of external hires during the period that are former employees of the organization. Rehires are seen as desirable by many organizations because they typically require less investment in recruiting and onboarding. Their productivity ramp-up time is typically less than that of employees new to the organization, and they may already have a strong understanding of company history, processes, and culture. Organizations generally make offers to alumni that performed well during their former period of tenure, reducing the uncertainty of future performance inherent in the hiring process.

An employer that actively recruits former employees, through alumni tracking tools or other initiatives, can use this measure to gauge the success of those initiatives. The measure can also be broadly useful as a lagging indicator of labor market changes and as a potential leading indicator of onboarding and productivity costs. For example, an increasing Rehire Rate amid steady hiring volume and without an increased focus on rehire program may indicate an improvement in the organization's employment offer relative to talent competitors. Higher relative volume of rehires means that today's hires are likely to require less training and ramp-up effort in the immediate future.

Data Sourcing Organizations typically source data for this measure from a job table in an HRIS, where rehires are typically flagged by different action codes than other hires.



Volume



Rate



Bench-E



Data-E

Considerations

Analysis	Limitations
<p>It is helpful to analyze this measure to isolate any populations targeted by rehire initiatives, such as by job function, job family, age, or geography. It is also helpful to analyze Rehire Rate by other dimensions for which recruiting strategies are likely to vary, such as by organizational unit and employment level.</p>	<p>Rehire Rate measures the level of rehires relative to the magnitude of total external hires; it does not indicate hiring volume relative to the size of the workforce. It does not indicate the level of tenure the employee previously had with the organization prior to terminating. It also does not indicate the duration of an employee's time away from the organization.</p>

Targets

Targets for Rehire Rate may be most useful when set on an absolute basis rather than relative to a benchmark group, due to variation in organizations' hiring volumes and the potential for inconsistency in quality of rehire across organizations (e.g., an organization seeking to rehire only high performers versus one seeking to rehire both high- and mid-performers). However, organizations that find advantages to hiring former employees that are comfortable with the appropriateness of the benchmark group would target moving results toward the 75th percentile.

Absolute targets will depend heavily on the overall hiring activity of the organization and the intensiveness of rehire initiatives. Employers especially focused on rehires as a recruitment source are likely to target moving results toward 10 to 20% per year.

Variations
<ul style="list-style-type: none"> • Rehire Rate—< 30 Years Old • Rehire Rate—40+ Years Old • Rehire Rate—50+ Years Old • Rehire Rate—Customer Facing • Rehire Rate—Exempt • Rehire Rate—Managers • Rehire Rate—Non-Exempt • Rehire Rate—Part Time • Rehire Rate—Revenue Generating • Rehire Rate—Seasonal

Related Measures
<ul style="list-style-type: none"> • Age Staffing Breakdown • Average Interviews per Hire—Rehire (variation) • Average Time to Fill—Rehire (variation) • Hire Rate • Offer Acceptance Ratio—Rehire (variation) • Operating Profit per FTE • Organization Tenure Staffing Breakdown • Recruitment Cost per Hire—Rehire (variation)