

The Recruiter's View: Candidate-Driven Market to Present Retention Challenges in 2015 Among Top Performers

U.S. employment had its challenges during the winter months of 2014, but throughout most of the year we've experienced consistent growth as 222,000 new jobs has become the 12-month average. Despite the fact that many companies are in growth mode, retention is increasingly problematic. This is especially challenging in the executive, managerial and professional job sector which is candidate-driven, as the brightest talent recognize more jobs are available and feel more confident about pursuing them. Recruitment additionally faces challenges in the sector, as many employers continue to lose great candidates to lengthy hiring practices, below-market salaries and an inability to sell the company brand, the role and true advancement opportunities. New data from the [most recent MRINetwork Recruiter Sentiment Study](#), a biannual employment landscape survey of MRINetwork recruiters across approximately 600 worldwide offices, indicates that the candidate-driven market, which has experienced a consistent uptick since 2011, is here to stay, and the rate at which top performers are rejecting job offers continues to grow. As we approach 2015, employers will need to review their recruitment and retention strategies from the top down to remain attractive to employees and potential new hires.

"It is definitely and without a doubt a candidate-driven market, however many employers are still laboring under the same processes as they did when it was an employer-driven market," said a recruiter responding to

the study. "Candidates now have choices and employers need to make the interview process go smoothly and quickly." According to the report, in the second half of 2014, 83 percent of recruiters described the talent market as candidate-driven, up 29 percentage points from the second half of 2011.

The executive and managerial market continues to be candidate-driven because of the availability of more job opportunities and growing talent shortages due to skill gaps. Top performers have a strong advantage, with multiple job offers to consider and the ability to reject less desirable work opportunities. This is significant when you consider the factors motivating a job move. According to the study, 49 percent of recruiters say greater opportunities for advancement is the primary motivating factor for candidates looking to make a move, followed by improved compensation. Based on year-over-year data, the main reasons for rejected job offers continue to be a result of great candidates accepting offers with other companies and being

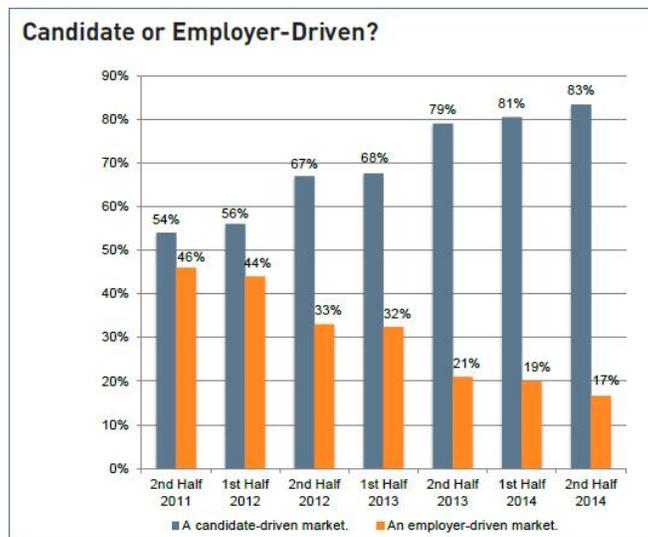
presented with disappointing compensation. Further, the time between the first interview and the rejected offer is shrinking, with a six percentage point increase from the second half of 2013, for candidates that rejected offers within two weeks of the first interview.

MRINetwork recruiters provide the following survey insight about rejected job offers:

- The search process is still taking way too long considering the recession has been

behind us for years and the fact that it is a candidate-driven market in many industries. This provides candidates with the time to investigate other opportunities.

- Candidates are much more fully engaged and also much more aware of their worth in the marketplace.



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Frontline Analysis by the MRINetwork Team of Global Search Experts

- Clients are still looking for the perfect candidate, yet are not offering an enticing salary.

With more top performers moving on, the candidate-driven market points to several things:

- Internal and external branding will continue to be important as companies face growing pressure to sell their value proposition to employees and candidates. “They are operating with the mindset that there are an abundance of candidates, all willing to jump through hoops to get a job at their company, and that is just not true anymore,” says an MRINetwork recruiter.
- A streamlined hiring process will be imperative to avoid losing top candidates in 2015 and beyond. One recruiter notes, “Every candidate we speak with is actively looking and has several irons in the fire.”
- Talented employees who were hired at bargain salaries during the recession will be moving on. The majority of MRINetwork recruiters (83 percent) say they have interacted recently with these under-compensated and under-employed candidates who are anxious to improve their earning capacity. Salary and benefit packages will need to be adjusted to retain these individuals.

Although the study results demonstrate that hiring trends are highly favorable towards top performers in the executive, managerial and professional space, recruitment and retention will continue to present ongoing challenges for overall hiring as the job market expands. A fundamental shift is taking place in the way in which candidates expect to be recruited, and companies need to get on board with these changes to bring in and hold on to the talent they seek.

To view the complete study, visit www.MRINetwork.com/recruitersentiment.



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