



2016 Recruiter & Employer Sentiment Study

Conducted by **MRINetwork**

MRINetwork.com/Recruiter-Sentiment-Study



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Click here to view the flipbook summary of the Recruiter & Employer Sentiment Study.

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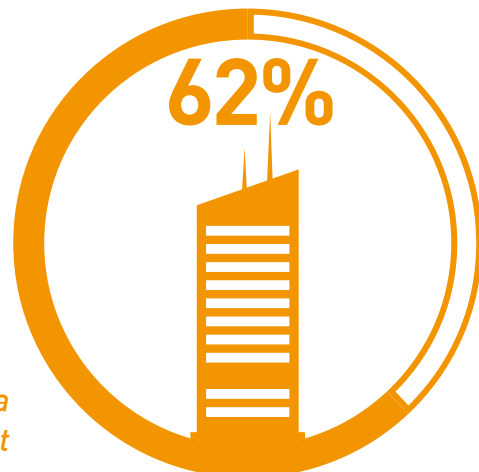
As global experts and leaders in the search and recruitment industry, **MRINetwork** recruiters conduct searches every day in virtually every industry at the executive, managerial and professional level. They have a keen awareness of the overall job market and the factors that affect it. In May, we once again conducted the **MRINetwork** Recruiter Sentiment Survey across our approximately 600 worldwide offices, to evaluate the current employment landscape and to project its direction in the months ahead. To compare employer perspectives with those of our recruiters, insight was also gained from a focus group of 54 human resources professionals and hiring managers, across a variety of industries and regions across the globe.

Key Findings

- Eighty-six percent of our recruiters continue to feel the labor market is candidate-driven in 2016. Employers also agree with this sentiment, with 62 percent saying top talent are driving employment within their market segments.
- In the environment of the candidate-driven market, candidates confidently reject undesirable job offers, with recruiters and employers listing “accepted another offer” as the primary reason for offer objections.
- Despite plans for expansion, employers’ biggest challenge continues to be an inability to find enough skilled talent. Some of this is a result of companies being disconnected from what is most attractive to candidates looking to make a job move. Compensation was the top pick among employers, while recruiters selected advancement opportunities most often. While compensation is important to candidates, immediate and long-term advancement opportunities are what drive talent to join a new company, since improved compensation is implied with upward mobility.
- Candidates want to hear real examples of how an organization’s best employees have advanced. Companies can demonstrate that upward mobility is a part of their culture by implementing career-pathing – a process by which managers and their direct reports map out a long-term plan for the employee’s incremental progression to new roles in the company. This can be an effective strategy to engage and retain top performers, empowering them to drive their own careers.



Recruiters who feel it's a candidate-driven market

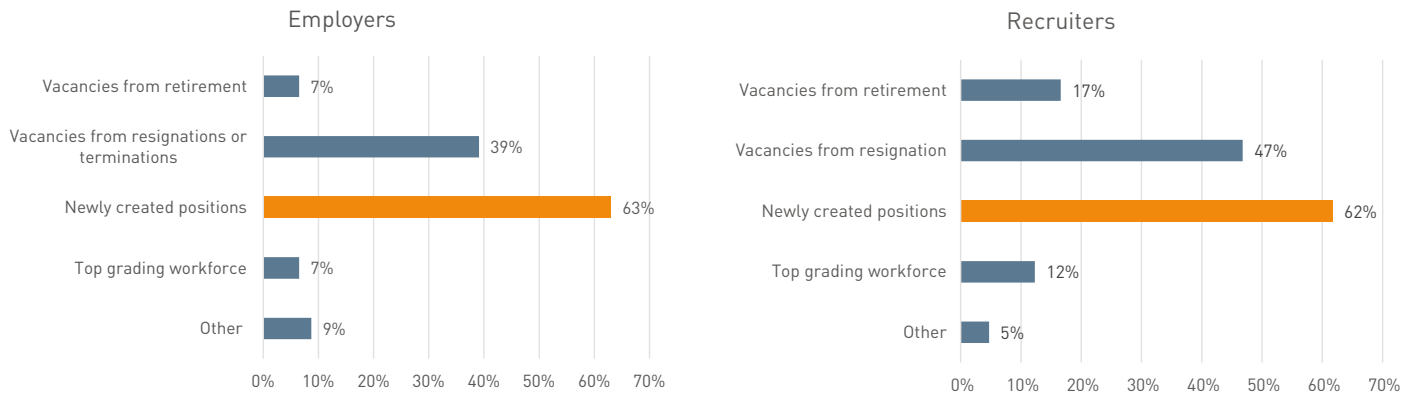


Employers who feel it's a candidate-driven market

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What is Causing Job Openings?

Newly created positions continue to be the primary reason for job openings, followed by vacancies from resignations.



Q1. What has been the primary reason(s) for job openings in 2016?

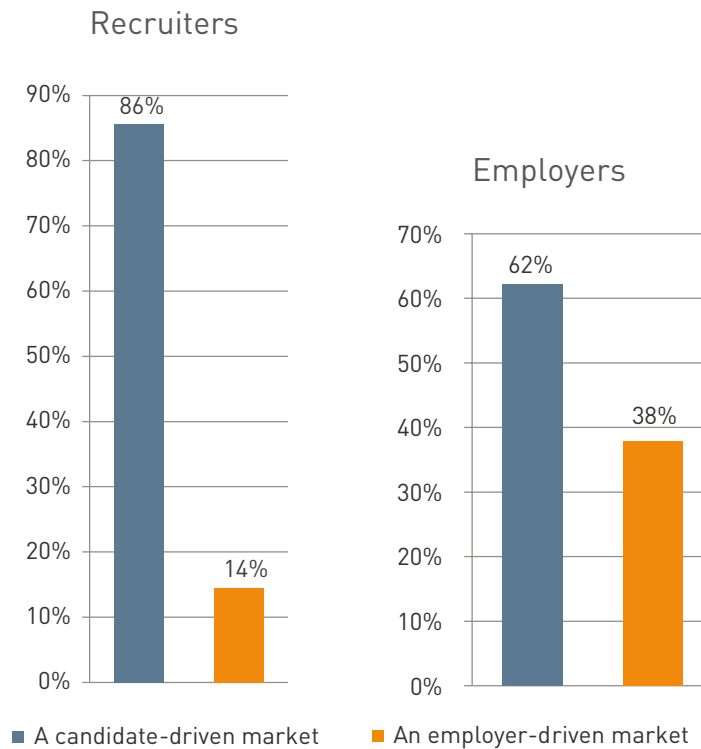
Survey Insight

- Based on year-over-year survey data, newly created positions and resignations continue to be the primary reasons for job openings, signifying a stronger labor market in which employers are focused on business expansion and candidates feel more confident about changing roles.
- Vacancies from retirement were included for the first time by recruiters as one of the top three reasons for job openings. This is likely because recruiters are interacting with a wider range of candidates and companies than employers who may be only considering hiring activities at their own organization.

Recruiter Comments

- There's a mixture of new positions and vacancies from resignations and retirements.
- Many companies are expanding or have an increase in business which is creating a demand for quality candidates.
- Recent hires have focused on filling strategic roles and upgrading talent, especially in industries like healthcare where the environment is changing.

Is It a Candidate or Employer-Driven Market?



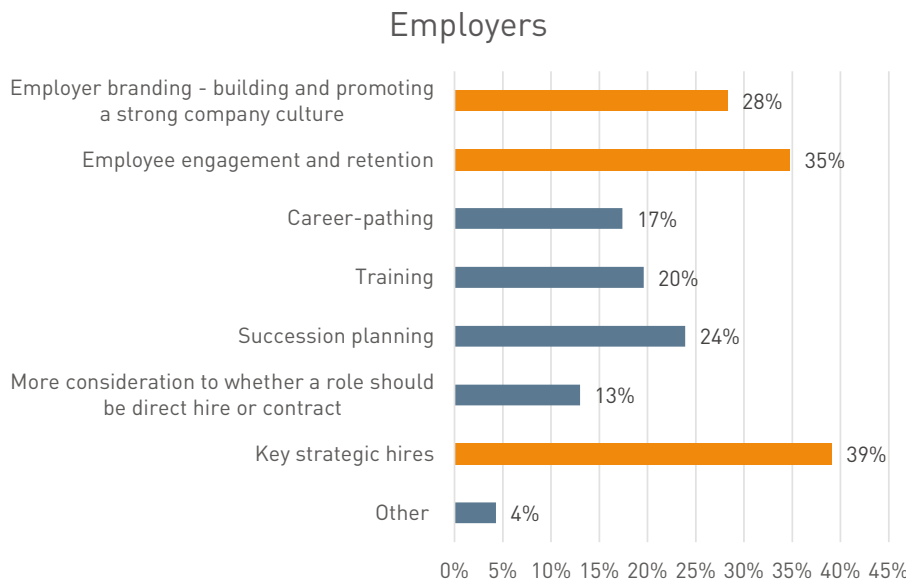
Q2. If you had to choose one, how would you describe today's labor market?

Recruiter Comments

- It depends on the market. In banking, Chicago in particular is an employer-driven market. In a lot of the smaller markets, it's a candidate-driven market.
- It's exceptionally candidate-driven. Candidates find jobs quickly and want to hold off for multiple offers.
- The candidate has the ability to take control of their own future more so now than ever before.
- Candidates have multiple opportunities so it's very important that clients make decisions quickly if there is an interest in the candidate.
- Clients are still having trouble finding good candidates that fit their financial budget, are taking forever to hire, and then holding out for the perfect candidate.
- The best need to be "recruited". They aren't looking and are definitely not on job boards.
- Candidates are there, but relocation remains the biggest challenge.
- Finding candidates with the right skills/experience, in the right location, with the compensation is a daily challenge.

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What Areas are Employers Making a Top Priority?

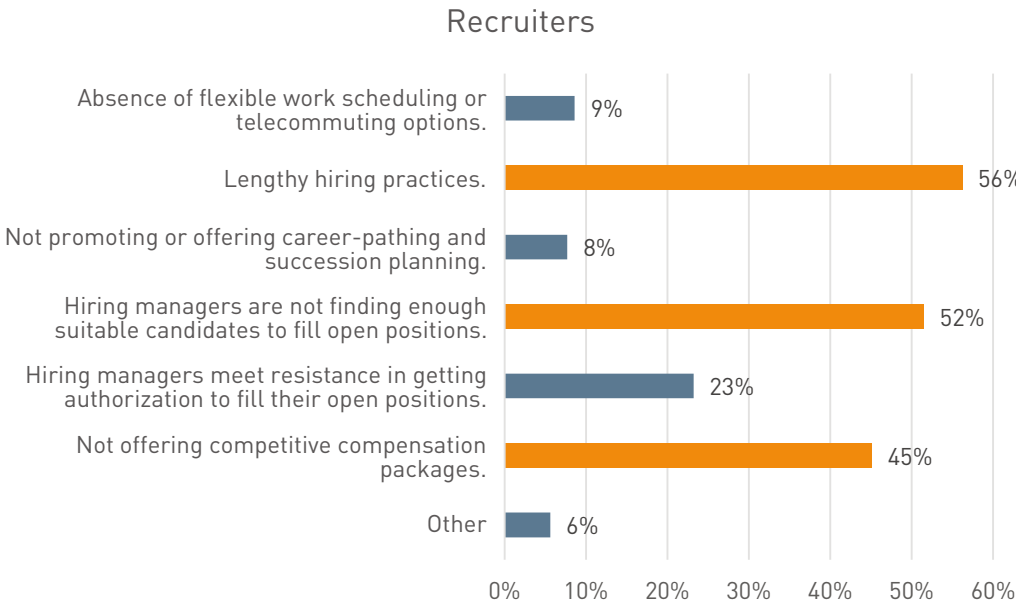


Employers identified key strategic hires, followed by employee engagement and retention, and employer branding as top priorities in 2016.

To support a growing focus on attracting and retaining top talent, recruitment firms are expanding their services to provide an objective, consultative offering for employer branding that will position companies as employers of choice.

Q3. In 2016, what areas are you making a top priority?

What is Holding Managers Back from Hiring?

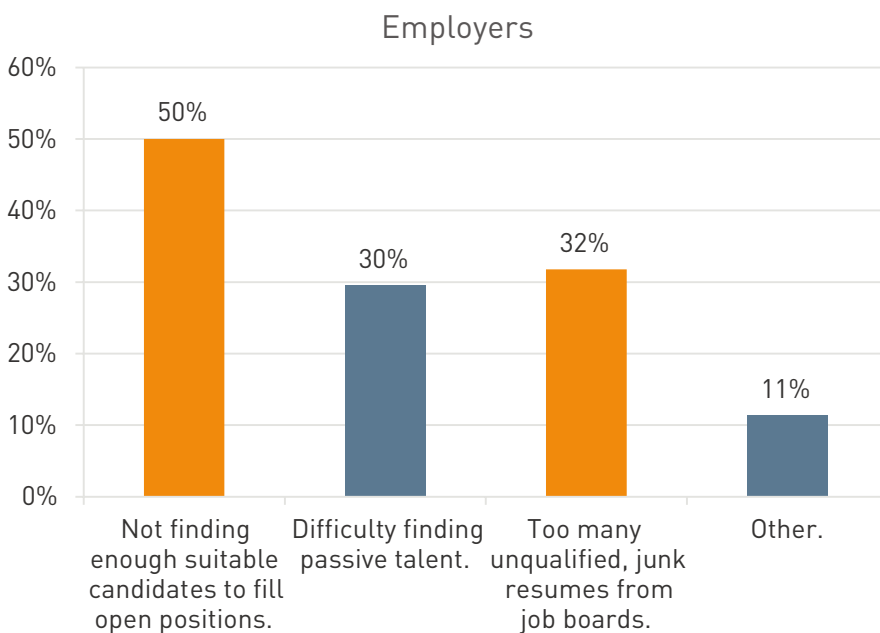


Lengthy hiring practices and an inability to find suitable talent ranked very closely among recruiters, demonstrating the relationship between the time to hire and the availability of skilled candidates.

Other obstacles such as offering low compensation packages, and an inability to get authorization to fill roles lengthen the hiring process, causing vacancies to remain open longer.

Q4. What single factor, if you had to pick one aside from a company's revenue, is keeping employers from adding to their headcounts?

What are the Most Common Issues to Identifying Qualified Talent?



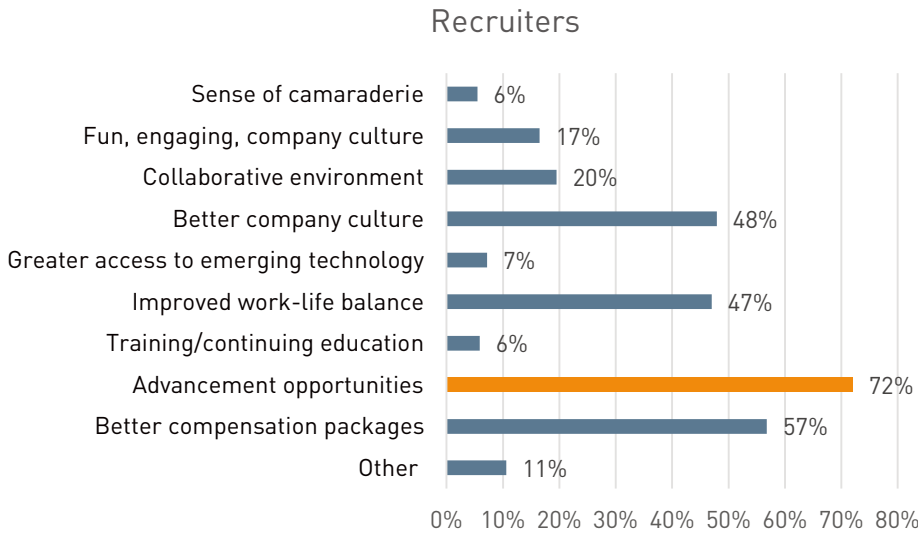
Employers' top concern is that they are unable to find enough suitable candidates to fill open positions.

Frustration with receiving too many junk resumes from job boards, solidifies the value that recruiters bring by connecting hiring authorities with top passive talent.

Q5. What are the most common issues you face when identifying qualified talent?

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What is Most Important to Candidates Looking to Make a Job Move?

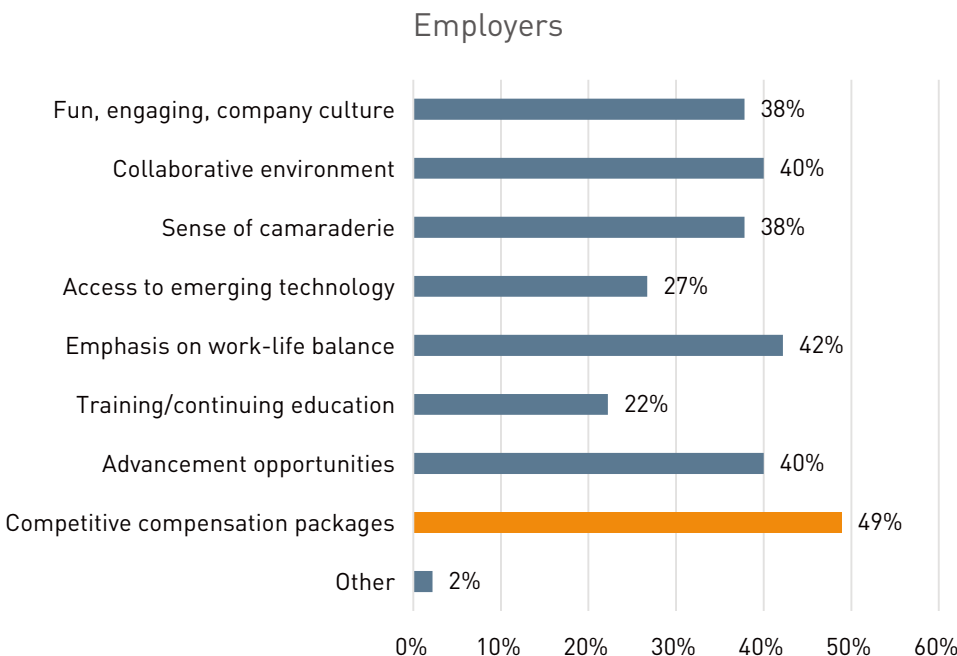


Top candidates that are looking to make job moves are most focused on jobs that can provide advancement opportunities, followed by improved compensation packages.

This demonstrates that while compensation is an important deciding factor, job moves are largely driven by the chance for more responsibility and upward mobility that typically result in greater compensation. That said, the opportunity must present a reasonable work-life balance to be considered worthwhile.

Q6. What is most important to candidates looking to make a job move in 2016?

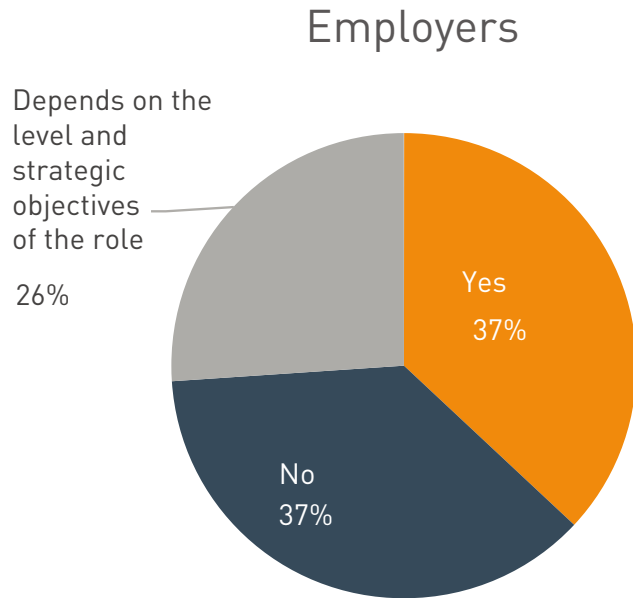
What is Most Attractive to Prospective Hires?



Choosing competitive compensation most often, employers appear to be slightly disconnected from what candidates prioritize when considering a job move: advancement opportunities.

Q7. What do you feel is most attractive to prospective hires about your company?

How Often are Contract Engagements Being Considered?

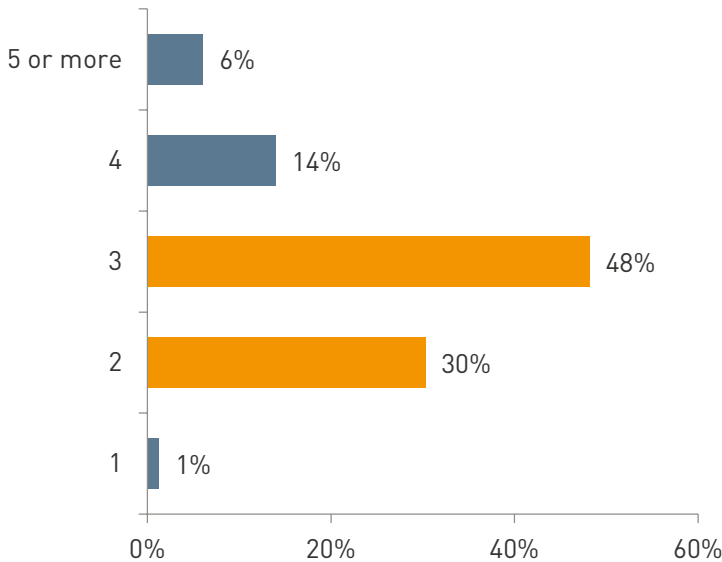


Sixty-three percent of employers said they are either offering more contract engagements, or are giving more thought to them, based on the level and requirements of the role.

As companies prioritize key strategic hires, blended workforces that include permanent hires and highly-skilled contract employees are becoming more common. Direct-hire employees are no longer the only option for filling strategic roles.

Q8. Do you anticipate more roles in your company being presented as contract/temporary engagements?

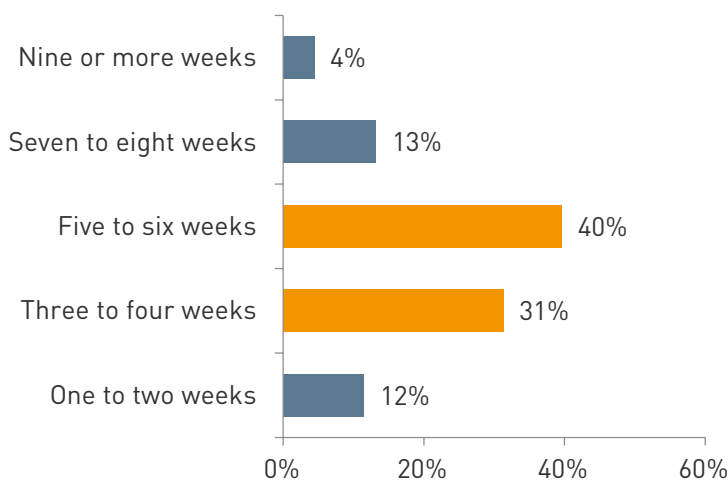
How Many Interviews to Get an Offer?



Most job offers continue to come after three interviews. This is consistent with year-over-year survey data that focuses on most recent placements.

Q9. On average, over the last six months, how many interviews were there before an offer was made?

How Long Does It Take to Get an Offer?

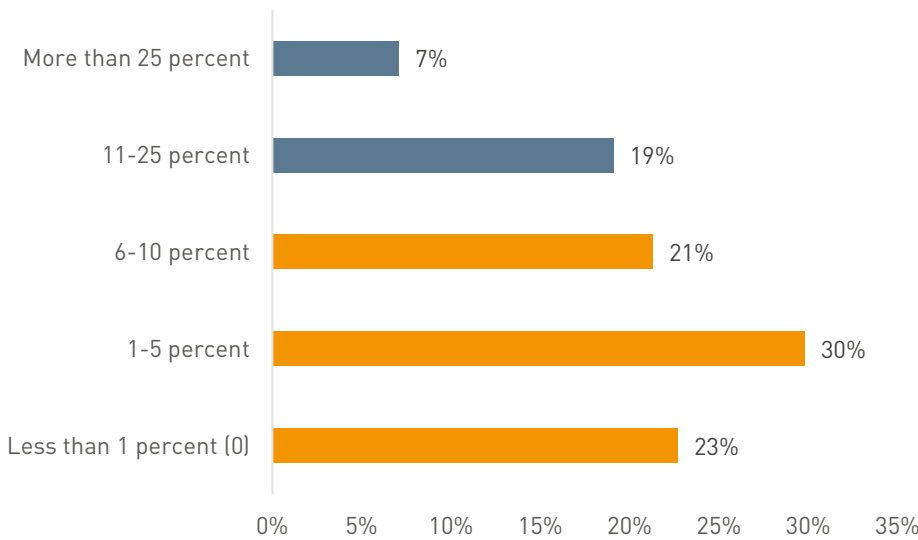


MRINetwork recruiters report the majority of job offers are being presented between 3-6 weeks, a shift from 1-4 weeks that we have observed since the second half of 2015.

This may point to a trend toward employers not heeding recruiters' advice to expedite the interviewing and hiring process, thereby increasing the chances of top candidates moving on.

Q10. Generally, over the last six months ... how much time was there between when the candidate was first interviewed and when an offer was made?

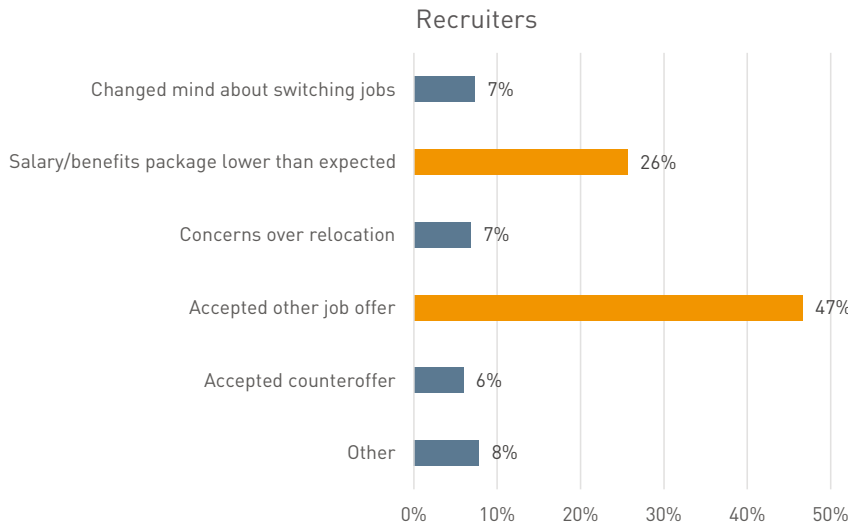
What Percentage of Job Offers were Rejected?



Seventy-four percent of MRINetwork recruiters report their offer rejections are 10 percent or less, indicating that top passive candidates are being vetted well, with regards to a given job opportunity.

Q11. Approximately what percentage of your candidates rejected offers over the last six months?

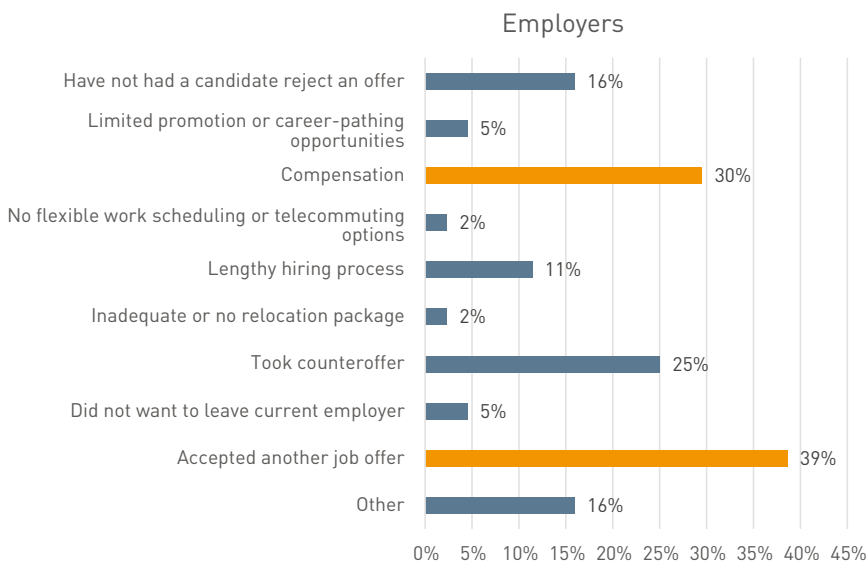
Why are Job Offers Rejected?



Employers and recruiters agree that accepting another job offer continues to be the leading reason that job offers are turned down.

Lower-than-expected salary/benefits remains the 2nd most common reason jobs offers are rejected.

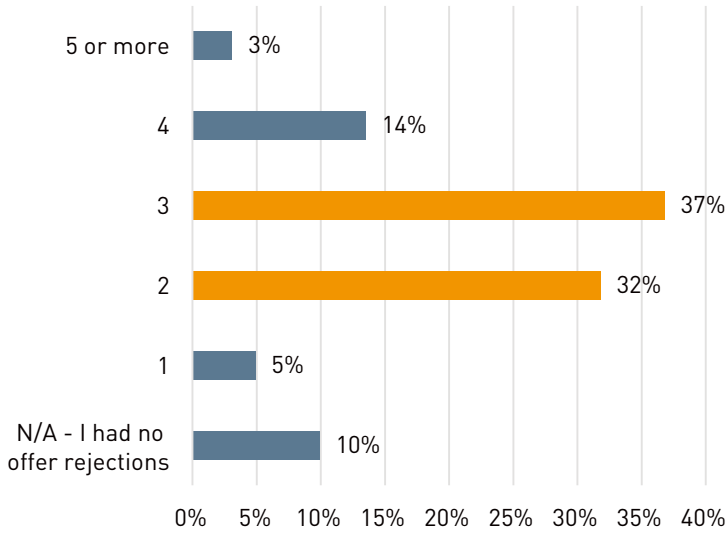
Q12. Of offers that were rejected, what was the primary cause?



Q13. What are the most common reasons candidates reject your job offers?

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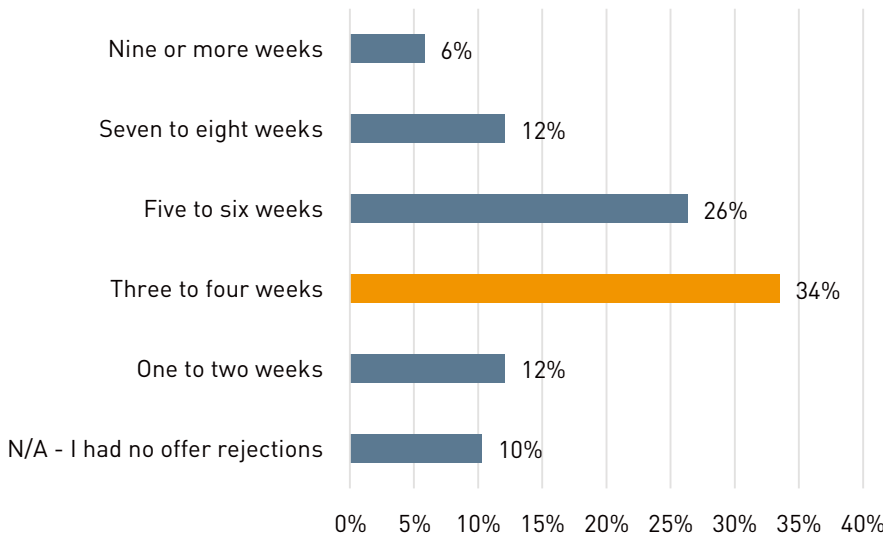
How Many Interviews Before Job Offer was Rejected?



Most job offers continue to be rejected after 2-3 interviews, based on our year-over-year data.

Q14. How many interviews were there before the rejected offers were made?

How Much Time Between 1st Interview and Rejected Offer?



Three to four weeks after the first interview continues to be the point at which job offers are most frequently rejected.

Q15. On average, over the last six months ... how much time was there between when the candidate was first interviewed and when the rejected offer was made?

Recruiter Comments

- Despite this candidate-driven market, companies still are searching for the perfect candidate, and are not willing to compromise secondary desired factors so they can get someone in the job that will be productive.
- More companies are requesting help in preparing an offer that will be accepted.
- Interviewing processes are becoming extended with the offer-stage being the part of the process that becomes delayed.
- Employers do not care if they are losing candidates because of the length of the process. They assume there are many more candidates out there. Most clients do not realize that compensation is increasing for top talent.
- Quit rates are up nationwide since candidates feel good about the economy, but they aren't as willing to relocate unless it's to a place they want to live. Even candidates who have recently become unemployed and live in very rural areas are not willing to move, because they know they'll find another comparable job soon within a commuting distance of where they live.
- Many employers have not adjusted either their compensation package to compete with the changing market or remain bogged down in a slow, arduous interview process.

Conclusion

Throughout 2016, despite some contractions in the labor market, hiring has continued to increase. As the study results demonstrate that top performers are driving the hiring process in the executive, managerial and professional space, employers in the overall labor market should also anticipate challenges with recruitment and retention as the job market expands. Today's best talent now seek an expedited, responsive, candidate-facing interview process, that clearly outlines how their career would benefit from joining your firm. Companies that want to acquire and keep strong talent on their teams will need to embrace this.

As you look at your hiring plans for the rest of the year, use the survey findings to help you understand some of the pressure your candidate searches will be under. Of course, as you come up against challenges, **MRINetwork's** team of approximately 3,000 recruiters around the world will be able to help your organization find specialized managerial and executive talent in almost every industry and function.

About the Study

The **MRINetwork** Recruiter & Employer Sentiment Study is based on a web-based survey conducted between May 3 - 17, 2016 with a total of 239 **MRINetwork** recruiters responding. A focus group of 54 human resources professionals and hiring managers additionally provided insight. The survey has a 6.1 percent margin of error with a 90 percent confidence.

The survey was conducted by **MRINetwork** and compiled by Nysha King (215.282.8821 | nysha.king@MRINetwork.com) of **MRINetwork**.

This was the 9th edition of the study. Parties interested in viewing the most recent report can download the study at MRINetwork.com/Recruiter-Sentiment-Study.



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