



LHH

# How to Attract and Secure Top Talent

In today's rapidly evolving labor market, securing top talent has become a fierce challenge for numerous companies. But why exactly is this the case? And, more importantly, what tips should companies be privy to in order to attract the cream of the crop? We share insights from our esteemed recruiters and visionary VPs across three pivotal sectors: technology, finance and accounting, and legal; and reveal four top tips to help you secure the best talent.



## The state of the labor market

The labor market has cooled significantly since the post-Covid hiring frenzy of 2021 and 2022. While this may feel like a slowdown, in reality it's more of a return to the hiring pace and norms of 2019 or early 2020. Now, small and mid-sized companies tend to be doing more hiring than the biggest players, though this varies by sector and geography.

## Companies and candidates are increasingly cautious

The Global Workforce of the Future Report 2022 found that 27% of workers globally planned to quit their jobs in the next 12 months, and 61% think they could easily get another job if needed. Since then, however, among organizations and candidates alike, talk of economic downturn globally has led to a significant increase in caution.

Nonetheless, we are more commonly seeing uncertainty about the possibility of future recession than the sense that a downturn is already being experienced. Clients typically tell us that while they worry about the future, though for now their own business seems solid.

The sense of caution manifests in employers wanting to have a high level of confidence that there is a strong business case for creating a new opening, and that the candidate they choose is the exact right fit. We are seeing much less of the opportunistic hiring that characterized the immediate post-Covid period. Some companies made hasty hires than that did not work out – a mistake that typically costs around \$15,000. They are now looking to replace many of those hires, and want to minimize the risk that the next choice also goes wrong.

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“In the aftermath of Covid, when everyone was hiring, employers were so desperate to obtain talent they would hire a candidate who ticked six or seven boxes out of ten. Now they are hesitating over candidates who tick nine out of ten boxes.”

**Paul Newell, Operations Director (London)**

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Candidates are equally cautious because of the talk of recession – in some cases, even more so than companies. With the cost of living crisis, employees are reluctant to give up a job they consider to be okay even if they are not fully satisfied. Many candidates say they do not feel under pressure to take a new opportunity. They are taking much more persuading than in the past to leave their job for another opening that is more exciting but may also feel less secure.

With both companies and candidates wanting to be absolutely sure the fit is right, hiring processes are going through more rounds and positions are taking longer to fill. Within this general picture, however, are multiple regional and sector-specific differences.



## On remote work, employer and employee views are diverging

According to the Global Workforce of the Future Report 2022, the desire for more flexibility (cited by 30% of candidates) was among the top reasons for wanting to find a new job, alongside salary (45%), work-life balance (35%), and gaining new skills (34%). Broadly speaking, workers are keen to retain as much flexibility as possible to work remotely, while employers are becoming ever more keen to get workers back into the office. However, that general picture differs by sector.

In tech, we are seeing the strongest competition between employers and candidates on remote work. Our most recent data shows only 11% of employers are initially willing to consider a fully remote hire, with over half the postings requiring full-time presence in the office. But when we interview prospective candidates, almost all tell us their top preference is for fully remote work.

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“We are advising clients that they will get a better idea of who’s out there, and be able to fill their roles more quickly, if they are willing to consider fully remote working from the outset. We’re finding that many clients become more open to remote work when they cannot fill positions from candidates in their local area.”

**Todd Weneck, Vice President, Technology (Kansas)**

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In other sectors, such as accounting and finance, not many candidates are looking for fully remote positions. However, candidates are looking for as much flexibility as possible, while a minimum of three days in the office is now a standard demand among employers.

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“Companies are realizing that people entering the workforce do a lot of their learning through osmosis – that is, just by sitting near and observing people who are doing the job well. That’s hard to do from home.”

**Paul Newell, Operations Director (London)**

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## Generative AI is impacting sectors at different rates

In the last year, generative AI models such as ChatGPT have made headlines for their potential to augment or replace human workers. Some sectors are typically slower than others to embrace new technology: in law, for example, we have so far seen only a few bigger firms experiment with bringing AI tools in-house to speed up document review, though we expect that to change as the technology becomes just as integrated as calculators and smartphones into daily life and workplaces.

In technology, the change has already been dramatic – and at this stage, we are seeing more examples of organizations wanting to hire people to help them get the most of new AI tools than seeking to replace people with AI. Tools such as ChatGPT are creating new roles in areas such as data science, analytics, and security. We are recruiting for roles that did not even exist a year ago – such as prompt engineers, who train workers in honing their inputs into generative AI to improve their outputs.

What roles that currently don't exist will we be recruiting for in the future? To keep on top of this ever-changing question we have to constantly monitor what leading-edge experts are saying. Part of our role is to anticipate which new tools people will adopt to approach problems, as clients don't always know what they need until they need it.



# Four ways the most successful companies are attracting talent

Although the labor market has slowed since last year, the strongest candidates across sectors still have a choice of multiple offers. What are the strategies being deployed by the companies most successfully attracting talent? From our in-house expertise across sectors and geographies, we draw four lessons.



## 1. Be flexible – especially about flexibility

The pandemic has led to a lasting change: the genie of flexibility will not go back in the bottle. Flexibility is considered to be one of the most important value propositions that an organization can offer. All our in-demand candidates are very keen to know how rigid their prospective employer will be in terms of their expected working location and hours.

In the post-pandemic debate around work-life balance, the idea of the four-day work week is currently gaining traction. The jury is still out on whether or not this model makes sense – though in client-service sectors such as law, it is not yet seen as a realistic option.

In a labor market where candidates hold the balance of power, companies also need to be flexible about what they can potentially compromise on. Can they be willing to train candidates in some skills needed for a role, for example, if the candidate demonstrates positive attributes – such as attitude – in areas that can't be trained?

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“When a client gives us 10 boxes they want a candidate to check, we often say that candidates who can already check all 10 of the boxes will get bored with the role because you're not offering anything new for them to learn and develop.”

**Hannelore Weber, Market Director,  
Performance Excellence (Pennsylvania)**

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## 2. Persuade the candidate you have a business case for hiring them

With fear of economic downturn making candidates more cautious, one key factor is for the company to convince the candidate that they have thoroughly thought through the business case for creating this new opening. Among legal professionals, 40% place a high importance on job security. Candidates are pressing us for what we know about the financial position and prospects of the companies we are presenting to them.

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“Clients have to address upfront with candidates the question of stability. Candidates are cautious about leaving their current jobs, and want to be reassured that the client has recession-proofed the role for which they are interviewing.”

**Hannelore Weber, Market Director,  
Performance Excellence (Pennsylvania)**

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### 3. Communicate clearly about the hiring process – and stick to it

In the post-Covid hiring spree, candidates often expressed frustration to us when a hiring process took too long. Research for LHH by Curious Insights found that “accelerate the hiring process” was among the top three actions companies were prioritizing to attract talent. The more hoops a candidate is asked to jump through, and the longer they have to wait for a decision, the more likely they are to drop out of the process.

This has changed somewhat with the growing sense of caution on the part of candidates, who now are more likely to appreciate a process that feels rigorous enough to reassure them the opening is right for them. Companies need to strike a delicate balance between a process that is frustratingly slow and one that seems too quick to be sufficiently thorough.

In striking this balance, the key is to be transparent upfront about what the hiring process will involve – and to stick to the process and timelines. When additional steps are inserted into the process, or feedback and decisions take longer to arrive than the candidate is expecting, they

risk getting the impression that the company culture is indecisive or that their time is not valued.



“If a candidate feels wanted, that trumps all else.”

**Kellie Sclafani, Senior Executive Recruiter,  
Accounting and Finance (New York)**

### 4. Sell the company culture

Candidates want to get a sense of what the company is really like, rather than just looking at how they describe themselves on their website. Do people talk about their kids and seem to value a life outside the office? Is the company serious about its commitments on issues such as sustainability or ED&I?

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“Top candidates will be interviewing for multiple opportunities. We need to coach clients in how to sell their organization, as the differentiating factors are often intangibles – company culture is key.”

**Kellie Sclafani, Senior Executive Recruiter,  
Accounting and Finance (New York)**

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Meanwhile candidates want to know which products they will be working with every day – there is a “braggability factor” in working for a company that puts them to work on trendsetting platforms.

Recruiters can help with selling the company culture when they build up a track record of placing people at a company: by staying in touch with them, they can pass on feedback to new candidates. However, companies can also help by making sure that the manager a candidate will actually be working with is actively engaged in the hiring process. Candidates want to get to know who will be mentoring them and feel confident that they will fit in.

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“I like to ask clients: What keeps you at your company? What’s on the horizon, what’s the five-year plan? That kind of conversation not only helps me understand the client, but helps me sell them to my candidates and make sure the goals of the candidate are aligned with the culture of the company.”

**Samantha Simmons,  
Executive Search Consultant (Philadelphia)**

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## Conclusion

Attracting talent continues to be a major challenge for companies across sectors and geographies. According to research conducted for LHH by Curious Insights, 27% of organizations say “attracting or connecting with diverse talent” is their top challenge, second only to “understanding current skills gaps”.

Given how quickly the labor market is changing, up-to-date insights are critical. When asked what measures they are currently implementing or considering to address these challenges, organizations’ top answers were “hire an external recruitment/talent acquisition provider” (28%) and “invest in data-driven insights” (25%).

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“As a recruiter I want to be a consultative partner, not a transactional one. I push for face-to-face time with the actual hiring manager for a new opportunity, rather than dealing only with internal HR. Getting a sense of the person a candidate will actually be working with helps me to sell the company to the candidate, and explain to the company when I think a candidate is the right match.”

**Rachel Allport, Manager, Legal (Bristol)**

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This white paper has identified four key ways companies can attract talent in today’s market: embracing flexibility, making the business case for each new hire, communicating clearly about process, and selling the company culture. In a context where the most talented candidates have multiple options, attention to these four factors can make all the difference.