



Benchmarking: Recruitment Trends in 2024 *Q1*



By Frank Allen



Introduction

2024 has arrived, and the world is still turning; recruiters are still recruiting, and candidates are still applying.

Everything as normal then?

Well, not quite.

The world seems like a crazy place right now. And when the world is crazy, HR and recruitment feel its effects.

So, with everything happening in the big wide world, what can HR and recruitment expect from 2024? What trends began to emerge in our sphere in late 2023? What will the advance of real, genuine AI be in the world of work? How did the ever-widening skills gap impede hiring last year? Will it continue to be a problem? What will the biggest recruitment challenge be in 2024? What are the main challenges to recruitment likely to be? Is recruitment becoming more like marketing?

To get a steer on all these questions and many others, we asked professionals like you for their opinions on what we can expect in the world of recruitment as we begin 2024.



69%

Of employers say that they are struggling to find qualified candidates

LinkedIn



79%

Of CEOs worry about the gap between their workforce's existing skills and their ability to meet business needs

PwC



87%

Of companies are aware they're already suffering from a skills shortage or will be in the next few years

McKinsey

1. Hiring in 2024

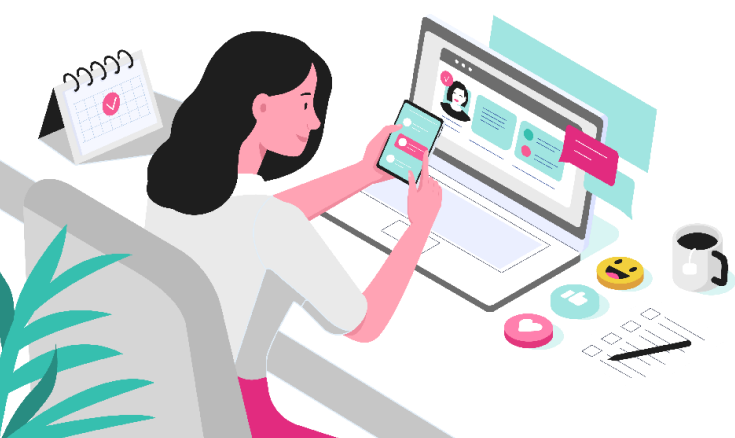
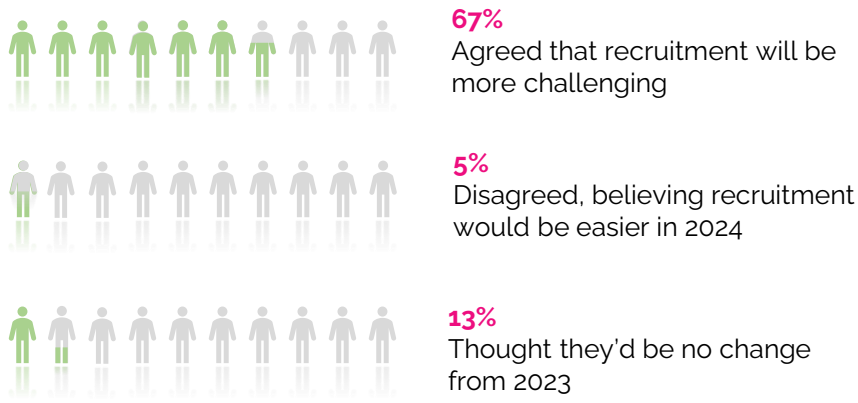
For many years, we've been in what experts call a candidate's market. Which, in essence, means the candidate has the advantage in recruitment. With so many more jobs available than candidates, candidates have had the ascendancy when choosing roles - they've been calling the shots rather than employers.

In quarters three and four of 2023, this phenomenon had a definite cooling off – will that continue into 2024? Are professionals anticipating an easier year when it comes to candidate acquisition? Will the market demonstrate a swing back to an employer-led one? And will candidates continue to ghost companies?

*The following insights were collected from over **800** HR professionals during our popular weekly webinars, providing insights into 2024 key trends, challenges, and practices...*

?

"Will 2024 prove to be a challenging year for recruitment?"



? "What will be your biggest recruitment challenge in 2024?"



70%

Stated a lack of quality candidates

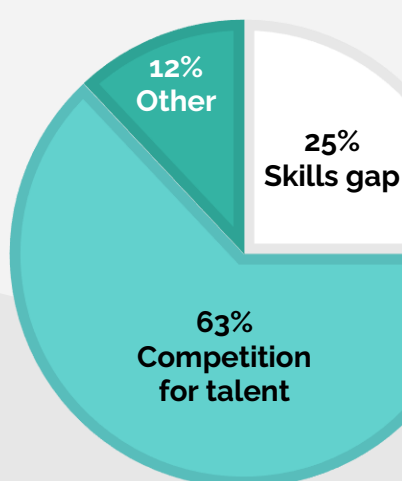
9%

Cited a restricted recruitment budget

7%

Of organisations believe it will be a lack of HR tech

? "What will the main challenges to your recruitment strategy be in 2024?"



50%

Of HR professionals believe their organisation will need to improve their pay and benefits offer in 2024



20%

Of HR professionals reported employee engagement as their main area of improvement in 2024



73%

Of HR professionals stated their primary focus for 2024 will be on both talent attraction and retention



18%

Of HR professionals said their organisation will be treating retention as a 2024 priority



Of HR professionals reported time-to-hire as 2024's crucial hiring metric

Of HR professionals
cited cost-per-hire
as their primary
metric in 2024

Of recruiters felt time-to-fill would be the standout metric for their business

“Could your 2024 hiring process be more streamlined?”



Agreed that their hiring process could be a little more streamlined



Believed their hiring process needed a total overhaul



“Will candidate ghosting continue to be an issue in 2024?”

Said ghosting would continue to be an issue in 2024

Reckoned
ghosting will
always be a
problem

Thought
candidate
ghosting would
decline in 2024

? "Do you agree that recruitment must become more like marketing in 2024?"

60%

Of HR professionals agreed that recruitment must become more like marketing in 2024

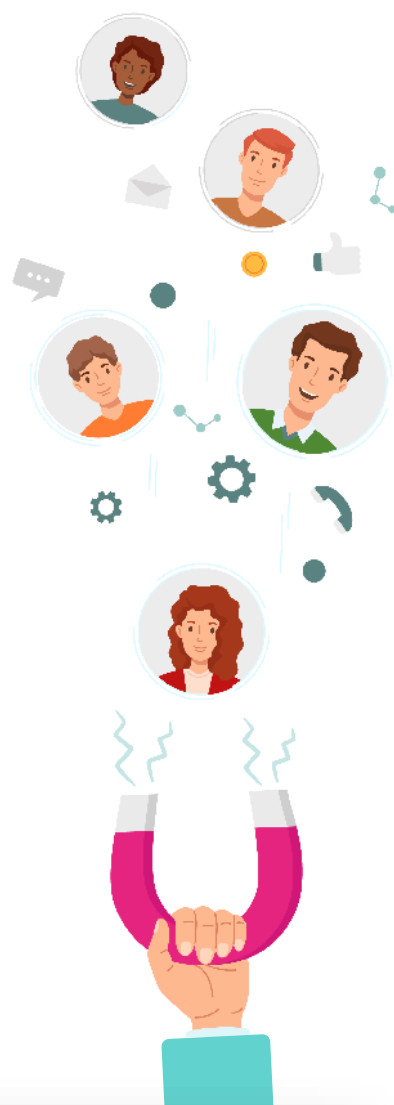
? "Will talent acquisition remain as challenging as it became during the pandemic?"

77%

Of professionals agreed that, yes, talent acquisition would remain as challenging as ever

Just 3%

Considered that 2024 as the year talent acquisition would become easier



? "Will specialised recruiters be more likely to keep candidates engaged in 2024?"



47% agreed

specialised recruiters keep candidates better engaged



31% unsure if

specialised recruiters can keep candidates better engaged



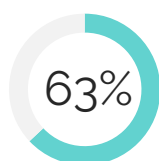
Only 7% disagreed

specialised recruiters keep candidates better engaged

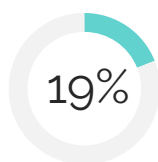
2. Skills gap

Much has been made of the UK skills gap over the years. It's a problem, that much is clear – but did it get more prominent in 2023? And if it did, will the trajectory continue in 2024, and in what way will it likely affect companies?

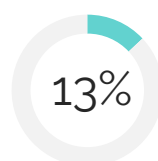
? “Did the skills gap impede your 2023 hiring? And do you expect it to widen further in 2024?”



Of HR professionals said the skills gap and its effects on hiring in 2023 were significant and would continue in 2024



Of HR professionals stated that they hadn't seen a significant impact in 2023 and weren't expecting one in 2024

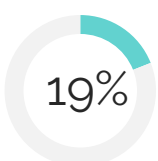


Of HR professionals were unsure about the impact of the skills gap in 2023

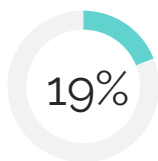
? “How will the reported skills gap affect your company in 2024?”



Of HR professionals reckoned they would have to increase wages



Of HR professionals envisaged a loss in productivity

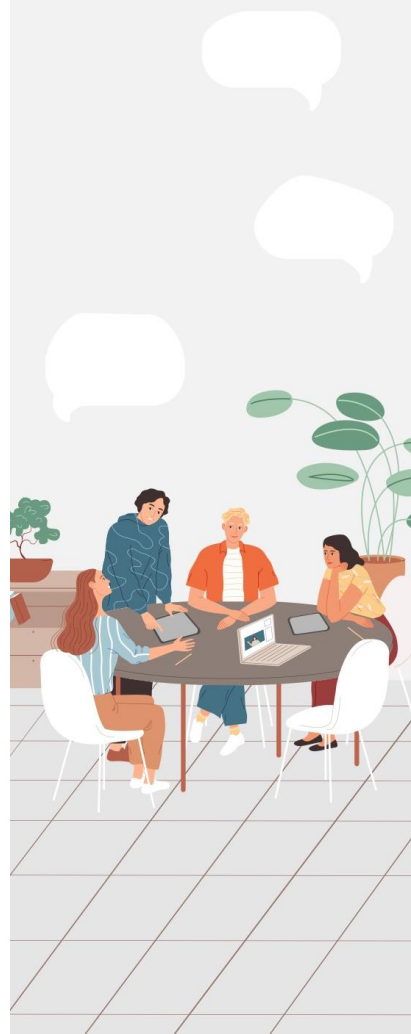


Of HR professionals believed a drop in employee morale

Fact: An estimated 20% of the workforce in the UK will be significantly underskilled for their jobs by 2030. This amounts to around 6.5 million people

“Employers are not equipping their workforce with the skills needed to succeed in the labour market or in the evolving future of work...”

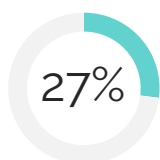
Forbes - 2023



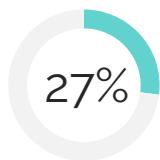
3. Retention

With 18% of HR professionals that took part in our polls agreeing that 2024 would be all about retention and a further 73% putting it up there with talent acquisition, here are some further insights into how other organisations will look to improve their 2024 retention figures...

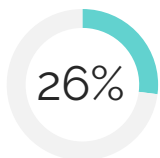
? "In 2024, what would you consider your biggest challenge to employee engagement?"



Believed employee burnout would be their biggest challenge to engagement in 2024



Thought high employee churn could prove to be 2024's most significant challenge



Stated that lack of leadership support to be their organisation's largest challenge in 2024



Anticipated poor communication to be their biggest challenge

? "How often *should* your organisation run employee engagement surveys?"

- 57% said annually
- 36% reckoned every quarter

? "How often *does* your organisation run employee engagement surveys?"

- 63% said annually
- 17% cited every quarter

Fact: 40% of employees don't feel their feedback leads to actionable change

Fact: 34% of employees think their company doesn't listen to their ideas for improving the business

Fact: 74% of employees are more effective at their job when they feel heard

Workforce Institute

4. DE&I



DE&I will continue to be a big topic in 2024, and for some of you, based on our feedback, it may be easier this year for you to promote it across your organisation.

57% of HR professionals have experienced resistance to DE&I in their organisation

35% of HR professionals said resistance to DE&I was at an all-time low

59% of respondents said they found DE&I easier to promote in 2023 and expect this trend to continue

However, 17% of hiring managers stated that the promotion of DE&I remains challenging

Unconscious bias

64%

Believe it will be extremely important to minimise unconscious bias in 2024

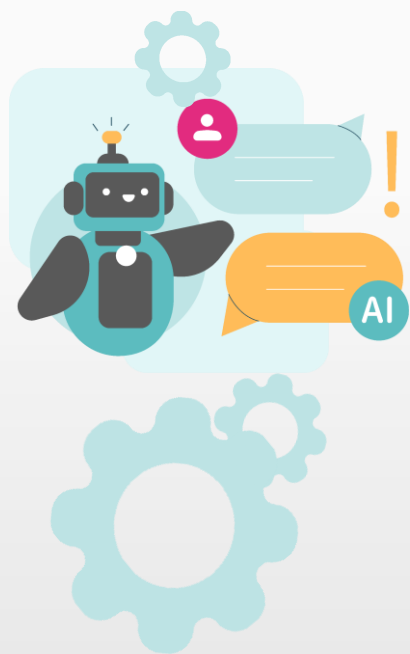
However, only

6%

Consider reducing unconscious bias a priority in 2024

55%

Of hiring managers consider **recruitment scorecards** a necessary tool to combat unconscious bias, while **37%** have never used scorecards



5. AI

AI is a hot topic worldwide. And with some justification. The strides made in just 18 months have been phenomenal and will ensure it remains one of the foremost discussed topics of 2024.

Most people will have heard about programs such as ChatGPT and Midjourney. However, in January 2024 at the World Economic Forum annual meeting at Davos, Switzerland, another potentially ground-breaking program was unveiled.

As Argentine president Javier Milei addressed the forum in Spanish, Heygen, a video lipsync AI, translated in perfect English to all who listened. Most impressive was that onscreen, Heygen made Milei's lips move in accord with the translated English.

Is further proof required to state that, without a doubt, AI will be a major disruptor in 2024? Will 2024 prove to be the year it explodes? And what do professionals like you really think of AI?

?

"Are you excited about AI and its potential?"



71%
Respondents are excited about AI and its potential



27%
Remained unsure about AI and how it would affect HR



Only 2%
Considered AI dystopian

?

"Have you ever used Chat GPT for work?"



82%
said YES



18%
said NO

72% of HR professionals found ChatGPT to be helpful in their role

19% of HR professionals were ambivalent about ChatGPT's helpfulness

6% of HR professionals stated they couldn't do their job without ChatGPT

Just 2% of HR professionals said ChatGPT was rubbish and not fit for HR

Predictions for 2024

While we'll never claim to know the future, we have eyes and ears, undertake extensive research, and, most importantly, listen. So, while we hope this Q1 benchmarking provides valuable insight into which direction 2024 will take from an HR perspective, what we said in our introduction remains true: HR is and always will be impacted by what is happening internationally, nationally, and locally. So, it must be noted that should an event akin to the 2020 pandemic occur again, the impact on HR will be immediate.

*That aside, based purely on trends we began to see in 2023 and armed with input from over **800** HR professionals, here's what **2024** could have in store...*

1. Job vacancies will continue to fall in 2024:

We remarked on this in our last benchmarking. Our opinion hasn't changed. Primarily because ONS agree – vacancies in the UK fell by 49,000 in the last quarter of 2023 to 934,000, falling for the 18th consecutive period. What does this mean? With a fall in vacancies and a rise in applications, according to Reed.co.uk, it suggests we're shifting to an employer-led market.

2. Hard-to-fill roles will be outsourced to recruitment agencies:

As the skills gap widens, HR will find it more and more challenging to fill niche roles. And more to the point, they'll struggle to find the time to do so. 47% of professionals agreed that external recruitment agencies will play a bigger role in 2024, not least because of their dedication but primarily because of their increased capacity to look for the right skill sets for businesses.

3. AI will continue to disrupt the HR world:

With 71% of HR professionals excited by AI and with evidence all around us to suggest that AI will disrupt the world, it doesn't take a huge leap to predict HR is set to be affected. There is much to be reticent about AI, primarily because it is an unknown, but there is also natural optimism about how AI can help HR streamline its recruitment processes. For example, at Talos360, we've integrated ChatGPT-4 to help hiring professionals create job advert descriptions in seconds.

4. Retention will become an increased priority:

Retention has always been highly prized in HR. However, in 2024, we think the stakes will be even higher. Recruitment budgets will shrink if the economy continues its sluggish trajectory – and when budgets shrink, the significance of quality employee retention rises exponentially. Consequently, looking after talent and ensuring your employees are listened to and feel valued will be challenging enough. Difficult, but not impossible.

How Talos360 can help

If you need any help with your hiring strategy, candidate attraction, candidate management or employee engagement in 2024, then the team at Talos360 are here to help.

With our market-leading, award-winning people tech, we can save businesses time and money by improving people engagement and streamlining the entire candidate journey.

Free Recruitment Reviews

Talos360 offer free recruitment reviews that show how you can easily improve your hiring process.

Get your free review today and see how you can save on your recruitment costs.



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TalosATS

Intuitive Hiring Software

Streamline your hiring process and create the ideal candidate journey, to effectively attract, manage and onboard talent.

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TalosEngage

Employee Engagement Platform

Unlock insights, improve engagement and boost morale with our intelligent engagement and workforce analytics platform.

[Find out more](#)



TalosAttract

Expert Recruitment Consultants

If you're struggling with hard-to-fill roles, our expert recruitment consultants can help secure the highest quality candidates that'll match your workplace culture.

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