

# **Recruitment Trends 2024**

H2 benchmarking guide, a look back at H1 trends







## Introduction

As we head into H2, it's always good to pause, take a breather, and reassess the landscape because, when you're travelling at speed, the landscape is forever changing. This is certainly true of the political landscape, which changed overnight on 4 July 2024. The ramifications of this political sea change for HR will, of course, become clearer as we continue to traverse through 2024.

However, aside from this well-predicted change, HR has presided over other significant trends already in 2024, many of which we've addressed in our <u>weekly</u> <u>webinars</u> throughout the year. Feedback from these webinars, taken from fellow HR professionals like you, has given us a keen insight into what particular challenges HR has been grappling with and what it is likely to contend with in the near future.

Get ahead of the curve with our latest recruitment insights and insights into developing trends.

In this guide, we'll cover:

- 2024 hiring challenges
- The return to an employer-led market
- The importance of employer brand
- 4. Onboarding
- **5**. A



The global talent shortage is expected to reach 85.2 million by 2030

Korn Ferry



**82%**Of CEOs and senior leaders expect AI to have a significant or extreme impact on their business

Korn Ferry





92%
Of companies
have faced skills
shortages over
the last 12 months

Hays

## 3

## #1 2024 hiring challenges

Not surprisingly, among the many hiring challenges HR has had to face so far in 2024, hiring top talent remains rather elusive. For 56% of HR professionals, it's as difficult as ever. For other professionals, the perennial skills gap has widened in 2024. What they intend to do to bridge it, however, differs from how HR has tried to close the skills gap in the past.

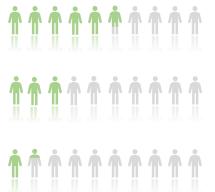
Other challenges will be familiar, like poor-performing job ads. Others, maybe not so much. For example, 52% of HR professionals say that the biggest obstacle to hiring in 2024 has been the lack of a talent pipeline.

Elsewhere, 35% of HR admitted that manual processes were to blame for hiring difficulties - incredible that this number is so high considering the furore over AI and its impact. Manual processes in 2024? Who would have thought it?

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



## 'Have you experienced difficulty filling your roles in 2024?'



#### **57**%

Of hiring managers said, 'yes, it's been a struggle'

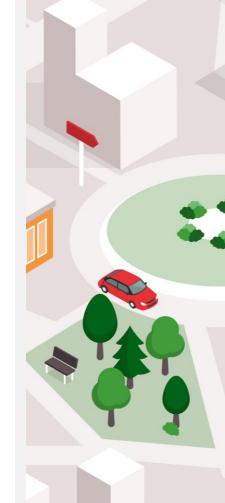
#### 30%

Of hiring managers reckoned hiring is no more difficult than usual

#### **Just 13**%

Said that actually, hiring has been easier this year







#### 'Are you struggling to attract top talent in 2024?'



64% A little bit



22% Yes, absolutely



11%

No, not really



Were unsure

#### 'Which aspect of the candidate journey is affecting this attraction?'



29% Said 'screening'

24%

**18**%

Said

Said 'every aspect'

24% Said 'selection'

'interviewing'



## Job adverts

## 'As a hiring manager, how confident are you in your job adverts?'



Said their adverts could be better



Reckoned their adverts were great



Admitted they're not very confident

### 'If you're honest, do you think your job adverts are engaging enough?'









Of HR professionals believe their adverts could do with substantial improvement

Of HR professionals thought that only some of their adverts were engaging enough

16%

Of HR professionals stated that their adverts were engaging all the time

Of HR professionals admitted they copied and pasted old adverts

## 6.

### 'Are your job adverts just a tick-box exercise?'

83%

Of HR professionals said that in 2024, job ads still remain absolutely vital 5%

Of recruiters felt job adverts were definitely a tick-box exercise 12%

Of HR professionals reckoned that, while important, there are other important aspects of recruitment

## 7.

# 'How often do you offer your roles internally before you advertise externally?'

#### 20%

Of hiring managers said 'sometimes'

#### 18%

Of hiring managers said they open their opportunities to both external and internal simultaneously

#### 10%

Of hiring managers admitted they never offered roles internally

#### 10%

Of hiring managers maintained that they always gave employees first dibs on all roles







## 8.

#### 'Do you ever ask someone impartial to review your job ads?'



Of hiring professionals admitted, it'd never occurred to them to do that



Of hiring managers said, 'Yes, it's a great idea, we do it all the time.'



Of hiring managers declared they'd never asked anyone impartial to review their adverts



## DE&I



'Has the importance of DE&I dwindled in your organisation since the pandemic?'



## 80%

Of HR professionals believe DE&I isn't considered as important as it was



## 7%

Of HR professionals aren't sure whether DE&I is as essential as it was following the pandemic



## **Just 3%**

Of HR professionals consider it as relevant now as it was before and during the pandemic









Of those HR professionals that still considered DE&I as relevant post-pandemic, we asked whether it made a real difference to productivity...



40%

Said, 'Yes, without a doubt.'

40%

Said, 'They were unsure.'

20%

Said, 'There's more to DE&I than productivity.'

## Skills gap

There has been a heightened sense of a broadening skills gap in 2024, with many HR outputs referencing its prevalence almost on a weekly basis. But what are the views of HR, the 'boots-on-the-ground' professional's thinking? Here's what we found...

11.

'Do you feel in 2024, there's a widening skills gap that's proving ever difficult to bridge?'



43%



4%

Of HR professionals said they weren't sure Of HR professionals said yes, 'The bridge is widening...' Of HR professionals said, 'Yes, and AI has the potential to widen it' Of HR professionals said, 'No, not really, there's always been a skills gap – we carry on'

12.

'Is your business considering a more skills-based hiring approach to leverage the best talent?'



29%



5%

Of HR professionals said, 'Yes, definitely...' Of HR professionals said they weren't sure Of HR professionals said, 'No, we're still very much CV orientated' Of HR professionals said, 'We'd consider a more skills-based hiring process' 87% of employers report they have trouble finding qualified talent...

Monster

75% of employers continue to be concerned about their ability to attract new talent

Robert Half

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

Oxford Learning College



If a business uses a skills-based hiring approach, it's better placed to assess the broader aspects of a candidate's skills rather than basing a hiring decision on background or place of study...

Talos360



## **Hiring metrics**



'Has hiring in 2024 elongated your time and cost-per-hire metrics?'



'What is your average time-to-hire?'



Of hiring managers said their hiring metrics were higher in 2024 and needed trimming



Of hiring managers said their average time-to-hire is between 30-40 days



Of hiring managers said despite knowing their metrics were high, they remain difficult to trim



Of hiring managers said their average time-to-hire is over 40 days

## Obstacles to hiring success in 2024



'In 2024, what have the biggest obstacles been to your hiring success?'





**52%** Of HR professionals have mentioned a 'lack of talent pipeline' as their biggest obstacle in 2024



35% Of HR professionals have blamed their 2024 hiring difficulties on 'manual processes'



10% Of HR professionals blamed their hiring difficulties on a lack of an ATS



**3%** Of HR professionals maintain that even in 2024, poor candidate communication is a major obstacle

# #2 The return to an employer-led market

During the last few months of 2023, the winds of change were already blowing and pointing back to an employer-led market. And in 2024, this change has been fully cemented. Indeed, **James Reed**, CEO and chairman of Reed.co.uk, had this to say in early 2024,

'The tide has turned, and what had been an incredibly strong market for candidates is now much more moving in employers' favour – in terms of the balance of power.'

This return, despite often reflecting a shrinking economy, should be considered a welcome one by most recruiters - and if not welcome, certainly a more familiar one.

In 2024, HR now has:

- · More time to search for the right candidate
- More opportunity to review the application process
- More occasion to improve the candidate journey

Fact: A 17% decline in job postings and 29% rise in job applications demonstrates a return to an employer-led market

Reed

Fact: The number of job vacancies in Q1, 2024 compared to Q4, 2023 was down by over 43k

**ONS** 

### 'Has the return to an employerled market made it easier for you to hire top talent?'

50% of HR professionals said they weren't sure whether a return to an employer-led market had made it any easier to hire

40% of HR professionals said that despite the market returning to an employer-led one, hiring hadn't got any easier

**10%** of HR professionals stated that hiring talent is down to pot-luck, pure and simple

'In 2024, how much has talent tech helped you find the candidates you need?'

60% of HR professionals said that though they used some form of ATS, its lack of sophistication meant hiring success has been mixed in 2024

**30%** of HR professionals stated that the ATS they use has absolutely helped them hire the talent they need in 2024

**10%** of HR professionals acknowledged that they still don't use talent tech

# #3 The importance of employer brand

A robust employer brand will go a long way to making hiring easier for any company. It's one of those HR constants – look after your brand and your brand will look after your hiring.

However, we wanted to know if companies had demoted employer brand on their 2024 list of priorities, given the current climate.

We found that employer brand REMAINS a top priority for the majority of companies in the UK...

1. 'In 2024, how important is employer brand to your talent attraction?'

**86%** Of hiring managers

believe that despite external pressures on hiring, employer brand remains 'very important'

14% of HR professionals, on

the other hand, said that because hiring talent in 2024 is so difficult, maintenance of their employer brand hadn't even been considered 2. 'Do you feel that your employer brand gives you a competitive edge when recruiting?'

**48**%

Of hiring professionals responded with a resounding 'yes'

35%

Of hiring professionals weren't sure whether employer brand made any difference

**17**%

Of hiring professional said, 'To be honest – not really'









## #4 Onboarding

According to CareerBuilder, 93% of employers believe a good onboarding experience is critical in influencing a new employee's decision to stay at a company. That sounds great. But it's fairly illuminating that, according to Indeed, only 11% of employees agree that they actually receive a thorough onboarding program.

Clearly, there's a vast discrepancy in those numbers

Furthermore, according to research commissioned by HiBob, they found a whopping **64**% of new hires received little or no preboarding. These are big numbers. Clearly, then, onboarding well, or at all, is an issue.

Over to the professionals...



# 'Do you consider preboarding an onboarding necessity?'



# 'Do you spend a lot of time and energy on onboarding?'



62%

of HR professionals said, 'Yes, we've practised preboarding for some time'



39%

of HR professionals said, 'Yes, more than 10 hours per candidate'



21%

of HR professionals said, 'They'd never considered splitting out the onboarding process



30%

of HR professionals said, 'Yes, but it's no more than 10 hours maximum'



**17**%

of HR professionals said they were unsure

Gallup



30%

of HR professionals said they were unsure

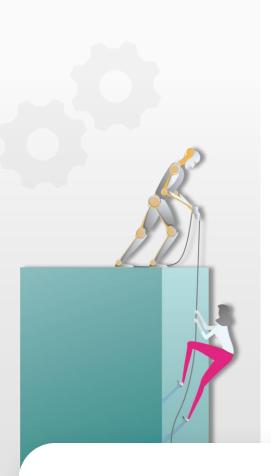


of employees believe that employers could improve their companies' onboarding programs



of new hires are more likely to be at the same company three years later if they complete a structured onboarding process

Wynhurst Group



## #5 AI

Is the future of talent all about AI? As we established earlier this year in our whitepaper, *AI in HR guide: Uncertain future or unique opportunity*, AI is here to stay, whether we like it or not.

And so far, in 2024, we've seen AI dominate the conversation. From generative AI like ChatGPT, there is a plethora of AI tech that HR could use to streamline hiring in 2024.

Will AI continue to dominate the hiring narrative?

We asked professionals like you, what they really thought of AI. Is this explosive and profound cultural and technological shift generally considered a unique opportunity, or, instead, are we facing an uncertain future?

## 1. 'Al in HR: Uncertain future? Or unique opportunity?'



51%

Respondents stated that they were firmly on the fence



11%

Of respondents said it's still too early to tell what the effects will be on HR



18%

Categorically stated that AI in HR represented a unique opportunity



20%

Stated that AI in HR definitely heralds an uncertain future

## 2.) 'What do you think the future holds for talent acquisition?'

**48%** of HR professionals thought the future of talent acquisition would be one dominated by AI

**52%** of HR professionals, on the other hand, disagreed. They thought an increase in flexible working would have a more farreaching impact

## Conclusion

From clear hiring challenges, to a future that's far from assured – the hiring uncertainties are all too prevalent as we head into H2.

But what about the positives? Are there any to be had? Well, yes. We know from our <u>weekly webinars</u> and <u>masterclasses</u>, that onboarding remains a hugely popular and engaging topic. Clearly, it's a facet of hiring that HR feels they have control over, and according to the findings in this benchmarking, they are doing just that. As we've reported, 62% of professionals not only understand what preboarding is but actually recognise its importance to the overall onboarding process. This is big. If you've given due consideration to onboarding this H1, you can expect to reap the retention rewards further down the line. Poor onboarding is bad for business. Full-stop. Maybe companies are finally taking onboarding seriously...

So, onto H2. Based on these findings, what can we expect? More of the same? Perhaps...

But what is clear is that HR can assume even more control over their hiring processes. Like onboarding, it's up to HR to influence elements of recruitment that remain in its capacity to manage.

#### Within HR's sphere of focus for H2:

#### 1. Investing in better talent tech:

**60%** of HR professionals said that though they used an ATS, its lack of sophistication meant hiring success was mixed in 2024.

#### **2.** Taking control of employer brand:

**86%** of hiring managers believe that despite external pressures on hiring, employer brand remains 'very important'.

### 3. Building talent pipeline:

**52%** of HR professionals have mentioned a 'lack of talent pipeline' as their biggest obstacle in 2024.

#### 4. Lowering time-to-hire:

**88%** of hiring managers said their hiring metrics were higher in 2024 and needed trimming.

#### 5. Skills-based hiring approach:

**48%** of hiring managers believe that the skills gap is widening and are thus considering skills-based hiring to bridge this gap.

#### **6.** Taking back control of job adverts:

**85%** of hiring managers admitted that their job adverts could be better, and **51%** believe their adverts could be more engaging.



# How Talos360 can help

If you need any help with your hiring strategy, candidate attraction, candidate management or employee engagement in H2, 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.

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