



THE 7 CRITICAL RECRUITING TRENDS TO PREPARE FOR IN 2023



WHERE BUSINESSES COME
TO RECRUIT TALENT

Intro

For the last couple of years, employers have consistently struggled with a complex, skill-short hiring market.

Unfortunately, while some challenges imposed by the pandemic in 2020-2022 are beginning to alleviate, recruitment is unlikely to get much easier in 2023.

Following the “[Great Resignation](#)” of 2022, candidates have grown increasingly discerning about where they choose to work, and which employers they are willing to join. Priorities and preferences have changed, and employees are more than ready to move in search of better opportunities.

According to the Hiring and Workplace Trends report for 2023, rising economic inactivity rates and a widening post-pandemic participation gap suggest available candidates will continue to shrink in the year ahead. Job postings in the UK are currently [42% above](#) their pre-pandemic levels, and [95% of employers](#) say they find it extremely difficult to discover new talent.

To thrive in this complex space, businesses that are currently hiring will need to rework their recruitment strategy, with a focus on the key elements that really matter to top talent. Flexibility, empathy, and diversity will continue to be key influencers in the 2023 recruitment market. As Gen Z continues to enter the workforce, there will also be an increased focus on candidate care, well-being, and inclusion.

As a leader or hiring manager in your current company, it's crucial to understand how the global shifts in the labour market may influence how you hire this year.

Therefore, here at [Clayton Recruitment](#), we're listing some of the top critical recruiting trends to be aware of in 2023.

1. Remote and Flexible Work are Here to Stay

Over the last couple of years, the traditional 9-to-5 workplace has grown increasingly less common.

Today, team members demand more flexibility in their employment, and many are actively seeking opportunities for remote and hybrid work.

Jobs offering “flexible” working strategies have [increased by 274%](#), while searches for remote work have risen by 674% since the beginning of the pandemic. The good news for recruiters is this “flexible” landscape is widening the available labour pool for those in search of top talent.

Positions offering remote work have substantial potential to attract a wider number of candidates from every generation. Studies also indicate remote working opportunities increase employee engagement, reduce turnover, and drive increases in productivity.

However, not every position is suitable for remote work. Indeed, it’s estimated only around a third of occupations are suited to flexible working strategies. Surgery can’t be performed, trucks can’t be driven, and food can’t be prepared from home for waiting consumers.

As a result, companies need to think more carefully about how they can offer flexibility to their staff. When remote and hybrid work isn’t an option, giving team members more control over their schedule or working hours may be an alternative.

Indeed, a recent Korn Ferry survey found [76% of professionals](#) would prefer their work weeks to shift to less traditional hours. Options like the “four-day” work week may be an ideal solution to give employees more “recovery time” between weeks in the office or workspace.

Where flexibility isn’t an option, employers may need to be prepared to be more flexible about adjusting schedules according to the specific needs of each employee. For instance, giving staff more opportunities to switch shifts so they can care for children, seek out mental health support, or simply manage their day-to-day lives more effectively could be beneficial.

Many professionals are now looking for businesses to promote “work-life integration”. In other words, they want to put more hours into their career on the days when it’s most convenient and focus on their everyday needs when necessary. Being able to take an afternoon break to pick up kids from school, and then put more hours in on the evening is appealing to employees.

Summary: All candidates are likely to continue looking for a flexible working arrangement. Where hybrid and remote work isn’t a possibility, be prepared to compromise and get creative on giving your team members more flexibility.

2. Employees Demand Better Compensation and Benefits

In virtually every industry, companies are being pushed to deliver higher salaries and additional benefits to employees struggling with the cost-of-living crisis. [Pay award expectations](#) are rising, as team members face unpredictable spikes in housing and living costs.

Across compensation levels, there have been substantial gains over the last 12 months, particularly in sectors where skill shortages are creating a particularly tight labour market. To attract professionals, many companies are even beginning to experiment with “sign-on bonuses” and extra cash injections, designed to convince candidates to accept offers fast.

Unfortunately, significant pay rises are unlikely to be sustainable for long periods. Raising wages isn’t always possible, particularly for companies with limited budgets. As a result, companies need to set themselves apart with the right benefits instead. [60% of candidates](#) now say perks are a significant factor in determining which role they accept.

Notably, benefits that may have captured employee attention in recent years, like in-house gyms and food packages may no longer attract the right attention. Instead, many employees are looking for holistic benefits which support their work/life balance. Healthcare support paid time off, and assistance in building retirement funds are all gaining popularity.

Perks which demonstrate empathy and commitment to employee well-being are likely to have a lasting impression on candidates. Around [90% of employees](#) believe how they feel at work matters, but only 49% of respondents say their company is measuring well-being.

Wellbeing plans which include access to mental health support, childcare assistance, and other useful benefits will not only attract new talent but help to maintain employee engagement. This is particularly crucial now the issue of “burnout” is becoming more significant to employees at every level.

Summary: Employers need to ensure their compensation packages are on-par with competing brands. Where increasing wages isn’t possible, holistic benefits supporting good well-being, flexibility, and mental health will be essential.



3. DEI Remains Essential

As candidates continue the search for more empathetic employers, the focus on “Diversity, Equity” and Inclusion” is rising. According to a [Glassdoor report](#), diversity and inclusion policies are particularly important to younger workers, such as the new Gen Z employees entering the workforce in 2023 and beyond.

Approximately 74% of staff members say corporate investment in diversity, equity, and inclusion is either “somewhat” or “very” important when considering a new job. The workforce of tomorrow will need to demonstrate a consistent commitment to DEI initiatives. Companies with a good focus in this area will be able to attract more employees and generate better outcomes too.

A diverse workforce delivers a wider range of perspectives and insights, allowing businesses to thrive and innovate. Businesses without a comprehensive DE&I strategy lack innovations and fresh perspectives, while those with [ethnically and gender-diverse](#) leadership teams outperform their peers by up to 36%, according to the latest McKinsey report.

Unfortunately, around [50% of employees](#) currently feel their employer isn’t doing enough to promote diversity. Companies, therefore, need to focus on building diversity, equity, and inclusion in every component of their culture. This includes:

- Making job ads more inclusive: Avoid discriminatory language like “young go-getter”
- Targeting diversity referrals: Allow existing employees to suggest new hires
- Sourcing from various pools of talent: Work with recruiters to source new candidates
- Leveraging internship and mentorship programs: Help diverse teams to work together
- Train managers to avoid unconscious bias: Provide consistent DEI education

Summary: Building a DEI strategy into your hiring plan expands your talent pool and helps to create a more welcoming workplace. The best DE&I plans are embedded into every aspect of your company culture, making every team member feel welcome.

4. Extensive Candidate Care Is a Must

One thing we've noticed as recruitment specialists is a growing focus on the demand for candidate care. In a skills-short marketplace, candidates are looking for evidence of empathy, support, and clear communication from their future employers before they're willing to accept a role.

Candidates no longer go into interviews with the sole purpose of impressing the company -in addition to this, the interview process is also about them assessing whether they like the idea of working at the company themselves. As a result, business leaders need to be prepared to be interviewed by the job seekers in question.

Delivering exceptional candidate care means creating an end-to-end strategy for supporting, engaging, and delighting potential employees through every stage of the relationship. It starts by delivering a flexible interviewing process, which could take place in-person, or over video conferencing tools, depending on the candidate's availability.

Good candidate care also involves being as transparent as possible about the recruitment and hiring process. Businesses need to ensure they're constantly communicating with their top talent if they want to avoid losing candidates to other employers.

The hiring process should progress with cadence and be convenient and simple for the candidate. Indeed, around [43% of job seekers](#) highlighted on LinkedIn now say they would consider writing negative reviews about an employer with a lengthy recruitment process. Additionally, companies need to focus on finding ways to help their employees envision a future with their company, by providing insights into development and promotion opportunities as quickly as possible.

Notably, it's also worth recognising many employees who leave roles today end up bouncing back to their original jobs. Around [4.2% of all hires](#) from job postings on LinkedIn were "boomerang candidates" in 2022. Companies will need to rethink their "offboarding processes" too, making sure they maintain strong relationships with talent leaving their team.

Summary: Today's hiring managers need to ensure they're delivering a fantastic candidate experience throughout their entire relationship with new hires. Every step of the process needs to be as streamlined and empathetic as possible.

5. Excellent Employer Branding Will be Crucial

The concept of “employer branding” in the current landscape has grown increasingly important in recent years. No matter how skilled your hiring manager or external recruitment specialist recruitment/staffing/search company is, they’ll struggle to get a “yes” from your ideal candidate if your employer brand isn’t up-to-scratch.

The way companies recruit and retain employees has changed in an age of technological advancement, career review sites, and social media. Without a strong employer brand, companies consistently miss out on top candidates. In fact, [83% of employers](#) say employer branding makes a significant difference to their ability to hire talent.

Successful employer branding requires companies to think carefully about what really matters to their current team members, future candidates, and stakeholders. Businesses can leverage an employer brand to help differentiate themselves from other employers during a major talent shortage, and even increase commitment and engagement among existing team members.

Your employer brand should showcase how you support effective and powerful employee relationships for your team members. It needs to highlight your commitment to flexibility, empathy, and consistent team development.

Notably, it’s not enough to simply define the values and visions that will contribute to your company culture and employer brand. Business leaders also need to ensure they’re consistently promoting and demonstrating their caring and empathetic nature as often as possible.

Evidence of strong branding should appear in everything from job descriptions to interviews, and even business websites. Even existing employees can be transformed into brand advocates, sharing their insights into the experiences of working with your business.

In an age of “Quiet Quitting”, it will be particularly essential for business leaders to show their commitment to listening to their employees and taking steps to alleviate burnout. Even in a time when team members are experiencing significant personal and career-based stress, [40% of companies](#) are failing to tackle these issues effectively.

Summary: Commit to building your employer brand around the values close to your existing and future employees. Highlight your empathetic and caring nature and use every opportunity to showcase your dedication to supporting your team members.



6. Continued Professional Development Will Help Companies Thrive

Today's businesses in every sector are facing serious skill gaps. However, the talent shortage isn't just a result of changing employee expectations and preferences. As the world continues to digitally transform, many employees feel they no longer have the knowledge they need to thrive in their industry.

Changing workplaces, hybrid working strategies, and evolving ecosystems are pushing demand for a more digitized workplace. As a result, companies are under more pressure to up-skill, re-skill, and consistently train their team members.

Around 61% of today's employees believe they don't have the skills they need to thrive in the next 5 years. Companies that commit to keeping their team members up-to-date with the latest education and training opportunities will easily outshine their competition.

Not only will a focus on training and development help employers in skills-short marketplaces to attract more talent, but it can also improve the results companies get from their existing employees. Training and reskilling existing staff members should ensure business leaders don't need to constantly replace their staff.

Additionally, a good training plan will help to preserve employee engagement and keep team members committed to the company when new role opportunities emerge.

A company culture that prioritises continuous education and improvement shows potential employees they have room to grow within your business. It also helps existing employees remain productive and efficient as the workplace continues to evolve.

Business leaders will need to communicate regularly with their staff members to gain insights into where they may be able to offer the most impactful training opportunities.

Summary: In a skills-short marketplace, training and educating employees consistently will help to attract new talent, and retain existing staff. Commit to keeping your team members up-to-date with the latest education, and you'll be rewarded with a simpler hiring process.

7. Specialist Recruitment Agencies Will Be Valuable Partners

Though many aspects of the hiring landscape have changed in recent years, one factor remains the same. To get ahead in a skills-short, and complex recruitment environment, business leaders desperately need to access the right help.

Increasingly, recruitment specialists are becoming more than just a way for teams to save time and administrative duties when it comes to hiring. These specialists are providing modern companies with powerful access to talent pipelines and diverse recruitment strategies they couldn't access elsewhere.

As available positions continue to increase, and the number of talented professionals dwindles, you'll need to work with the right recruitment team to develop a consistent talent pipeline. Most of the diamonds in the candidate space are hidden from public view, but they're already connected with specialist recruiters, through their networking strategies.

With a recruitment partner, you'll be able to increase your hiring potential by appealing not just to active candidates, but passive professionals too.

A [specialist recruitment company](#) not only understands your marketplace but also gets to know you, their client, on a deeper level. They take the time to get to know your company culture, role challenges, team dynamics, and onboarding strategies. They also understand how to present your employer brand in a way that generates positive results.

Summary: Today's employers won't be able to simply "go it alone" in the recruitment world. They'll rely on professional recruitment teams to give them access to a wider talent pipeline, and ensure they can stand out in a competitive landscape.

Summary

The recruitment market continues to be a complex and ever-changing area for business leaders. Although some issues from the previous two years have begun to diminish, there are still countless challenges to overcome in the years ahead.

2023 will see a continuation of an unpredictable recruitment landscape, where skill shortages reign, and employers need to work harder to find the talent they need.

This year, employers will need to rethink their hiring strategies with a focus on DEI, empathy, and delivering the right benefits to employees.

Specialist recruiters will continue to see increased demand from their clients, as well as the candidates they represent.

It's an interesting time for all of us. Make sure you're prepared.

Good Luck!

CLAYTON RECRUITMENT

We understand that while talent is your greatest asset – it can also be your scarcest resource - which is why you need a recruitment partner with the market expertise, insight and network to deliver the right people at the right time.

Clayton Recruitment has been partnering with organisations across the local, regional and national market for over three decades and during that time has built up an enviable reputation for trust and reliability. We provide an experienced and credible voice in the market by being able to demonstrate a detailed knowledge of the talent agenda.

Talent is all about people, and just like you, our consultants are true experts in their field with a real drive for excellence which informs everything they do.

With specialist divisions covering Commercial, Financial, Industrial and Engineering appointments, on both a permanent and temporary basis, Clayton Recruitment is the only name you'll ever need, and what's more – we are nice people to do business with!

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