

Understanding Talent



Hiring Top Talent

Introduction

You've interviewed the candidate you want to work with and are ready to make an offer – it may feel like a done deal and that you're on the home run. But it's easy to lose a candidate at this stage in a competitive marketplace, particularly with a poor package negotiation. It can, in fact, prove more costly to lose a candidate at this stage, when you've gone through the whole process of attraction and interview, than failing to attract them in the first place.

In this, the third instalment of our totaljobs 'Understanding Top Talent' series, we look at the offer stage of the hiring process. If this sounds like it should be routine — a simple case of offering the job and signing on the dotted line — it's because traditionally it might have been. But in this candidate-led market, hiring the very best requires insider knowledge of what top talent wants, to ensure they accept your job offer and not someone else's.

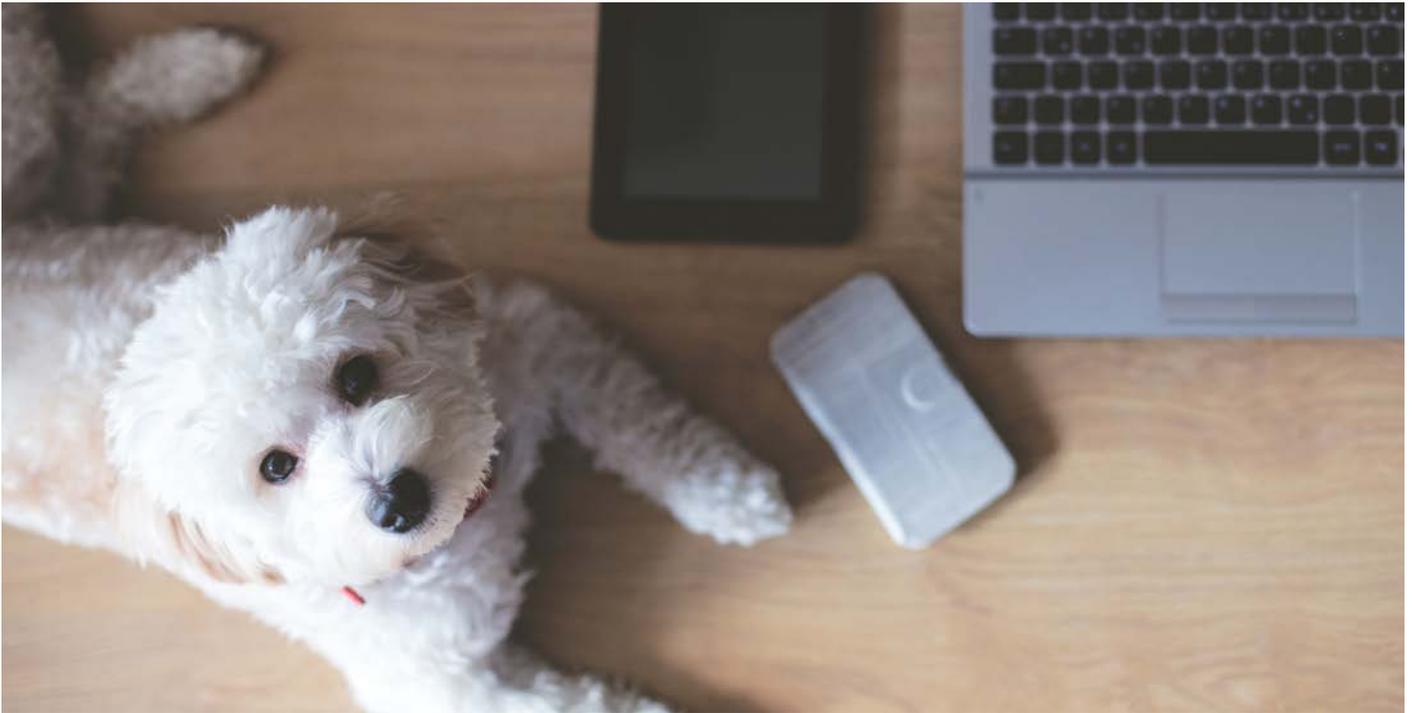
Thinking like the talent you want to attract can be a good place to start. Who are they? What's important to them? And how can you tailor your offer to them accordingly? You'll have

gained good insight on them through the interview process, so now's the time to use that knowledge to best effect.

To help convert promising candidates into new hires, we explore three key factors: contract negotiation, employment benefits packages and flexible working. Our findings are the result of feedback from over 3,000 UK job seekers and 100 employers and recruiters who have each had their own personal 'hiring' experience to draw on.

Contents

- | | |
|-----------|---|
| 02 | Deal or no deal: package negotiation
Benefits Packages |
| 03 | Top ten benefits that employees want |
| 04 | Flexible Benefits
Flexible Working |
| 06 | Ready to hire top talent? |



Deal or no deal: package negotiation

It's not just lawyers who can negotiate terms, candidates are pretty good at it too! More than half (57%) of the 3,000 UK job seekers we surveyed said they were confident 'within reason' when it came to negotiating terms for a new job. This suggests that package negotiation, comprising benefits and final contract, has become normalised and that employers should expect to discuss and tailor terms when in the process of hiring. Increasingly candidates are willing to push for what they want – especially when they know they have a choice of jobs. That said, there was an interesting gender divide with package negotiations. While 20% of men said 'they had a right to' discuss it with employers, only 10% of women shared this opinion.

This mirrors findings from totalJobs' Gender Pay Gap report, which showed that women had less confidence asking for more money when they were established in their role – in fact, three quarters (75%) of women told us they don't feel comfortable asking for a pay rise, compared to 59% of men.

Negotiation works both ways. Nobody is suggesting that employers bow to a candidate's every whim. But being flexible around the terms of a role shows your candidates that their needs and opinions are taken seriously, and may provide you with a competitive edge when securing top talent in a competitive market.

Benefits packages

Basic salary is a key component, but candidates are also focused on benefits as an important aspect of the job offer, particularly any flexible options that they can tailor to their needs. Working hours, content of the role and flexible benefits are all equally important to making a new hire. What you can offer in this area can set you apart. Corporate gym membership, free breakfast, health insurance, training programmes and wellbeing services are just some of the many benefits that employers can (and do) offer to recruit top talent. It's not unheard of for employers to allow staff to bring their canine friends to work, or even introduce 'nap pods'! Certainly our research suggests that it's not all about the money and that there are a host of other ways to seal the deal with a new hire. If employers do make it all about basic pay, they risk gridlock in final negotiations.

If you have a great benefits package, or offer flexible benefits, it's important to include it in your job ad – 29% of jobseekers questioned said 'mention of the employee benefits' was one of the key things they are looking for when scouring job adverts.

Our Understanding Top Talent research shows that the benefits most likely to make candidates sit up and take notice include annual bonus (42%), pension (36%), flexible working/working from home (32%), a learning and development programme (30%) and private healthcare (21%).

Top ten benefits that employees want:



42%

Annual bonus



36%

Pension



32%

Flexible working/
working from home



30%

Learning &
Development
programme



21%

Private
healthcare



16%

Money for training



14%

More than statutory
holiday leave



14%

Car allowance



9%

Accommodation



8%

Unlimited holiday
allowance

But what are employers most likely to offer? Well, top of the list are pensions (offered by 74%) and staff parties (62%). Over half offer a learning and development programme (51%), while 39% allow working from home. With flexible working being seen as the third most attractive benefit for candidates, employers who offer this option, where possible, will be seen as an appealing option for top talent.

It's reassuring to see learning and development so high up the list, suggesting a real commitment from employers to help employees with career progression and broadening their skill set. After all, recruiting doesn't stop once you've made a hire – when you've got your new starter through the door it helps to carry on recruiting them – keeping them engaged with the job they have just started with you so they don't lose interest.



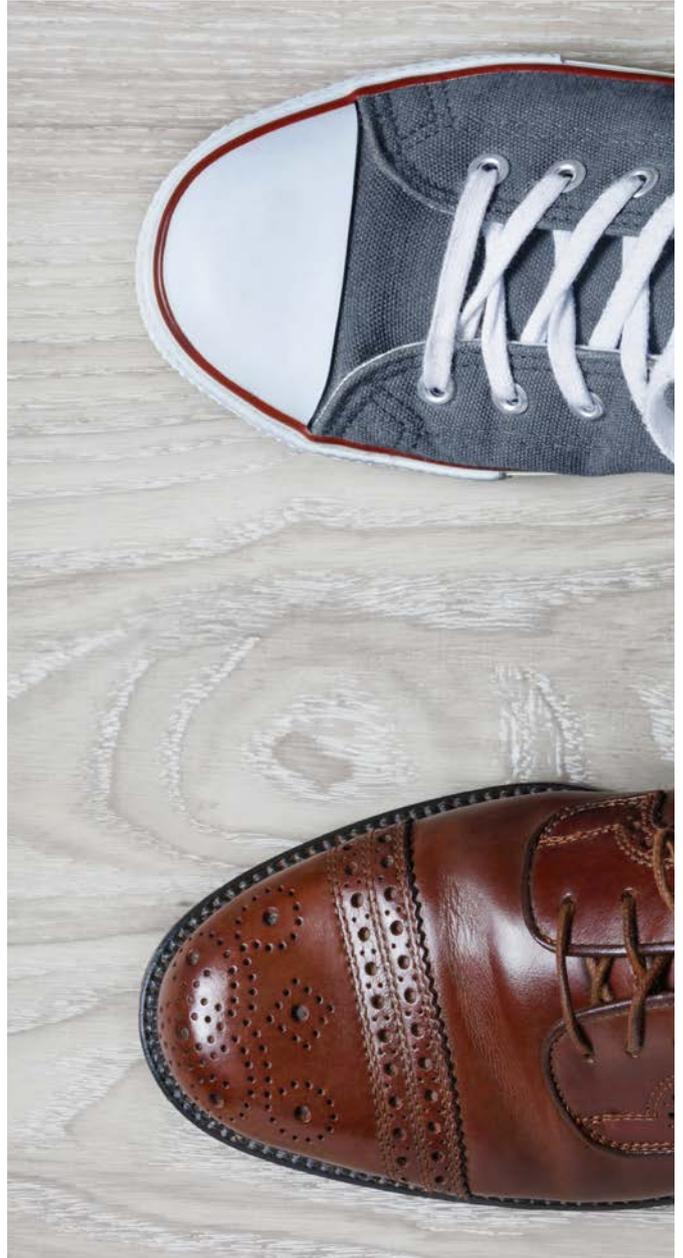
Flexible benefits

Knowing that candidates value employee benefits is a great start, but 62% of the employees we surveyed said they currently cannot choose their own benefits, even though 88% said they thought it would be valuable to have that choice.

This is uncharted territory for many employers as 74% don't allow employees to select their own benefits package during hiring negotiations. And 19% of employers said their candidates' expectations are either unrealistic or very unrealistic in terms of the benefits they should expect to receive at work.

If you're open to offering flexible benefits to employees, the next question is when? Conventionally benefits are offered in a tiered way, with some at offer stage, and others being 'earned' over time with length of service or seniority. For sought-after candidates these days, this is simply too slow and may encourage them to choose another employer who offers a more flexible approach. It's wise for any employer now to support flexible benefits, but for those struggling with hard to fill roles, it's advisable to go the extra mile and negotiate tailored terms at offer stage.

Regardless of when the offer of flexible benefits is introduced, it's important that the benefits (and salary) are offered fairly and evenly. TotalJobs Gender Pay Gap Research found that nearly a quarter (23%) of women believe men are paid more for carrying out the same job, and that women generally receive smaller bonuses and pay rises. With legislation coming in that requires larger employer to be transparent about their gender pay gaps, now is the time to carry out a health check to ensure you're offering benefits fairly across like roles.



Flexible working

With continued advances in technology and the fact that we are never too far away from our emails, perhaps it's unsurprising that a huge 81% of candidates said they were more likely to choose an employer that offers a more flexible working package.

Millennial employees tend to place a greater emphasis on flexible working, with 36% of 18-21 year olds saying it was important to them, compared to just a third (33%) of 55-59 year olds.

Women also put a greater emphasis on flexible working, with 34% saying they looked for mention of it in job advertisements compared to just 24% of men. Similarly, when asked to select three benefits, 40% of women chose flexible working/working from home compared to 27% of men.



Ready to hire top talent?

Be it contract negotiation, a strong benefits package, or flexible working, employers and employees stand to benefit from a broader, more tailored approach to hiring.

To employees the benefits are clear: flexibility and the chance to strike a better work/life balance, along with greater freedom and independence, and a fairer, more balanced employee/employer relationship.

For employers, incentivising candidates in such a way strengthens their chances of attracting top talent and gives them a tangible, unique selling point that could make all the difference when candidates are faced with two otherwise comparable job offers. It will also mean a more engaged and productive workforce, that knows their employer values them enough to have invested in their wellbeing.

Today's workforce relishes choice. To stay competitive in an increasingly crowded market, employers who consider how to tailor an employment offer to a candidate's needs stand a greater chance of attracting the very best. Here are five key takeaways from our report;

1. Employees are gaining in confidence when it comes to negotiating the terms of their contract, so employers can expect more of a dialogue during the hiring process
2. Relatively few employers allow employees to customise their benefits package – despite the fact that employees have signalled a clear appetite for this
3. Employees – especially younger employees – love the freedom of flexible working
4. Only annual bonuses and pensions are seen as more attractive than flexible working in terms of the benefits employees value most
5. Technology is changing the way we work and could spell the end of the conventional 9 to 5.

Next in our Understanding Top Talent series; we'll be looking at the offer stage – Hiring Talent - the importance of flexible benefits and, crucially, when to offer them.