



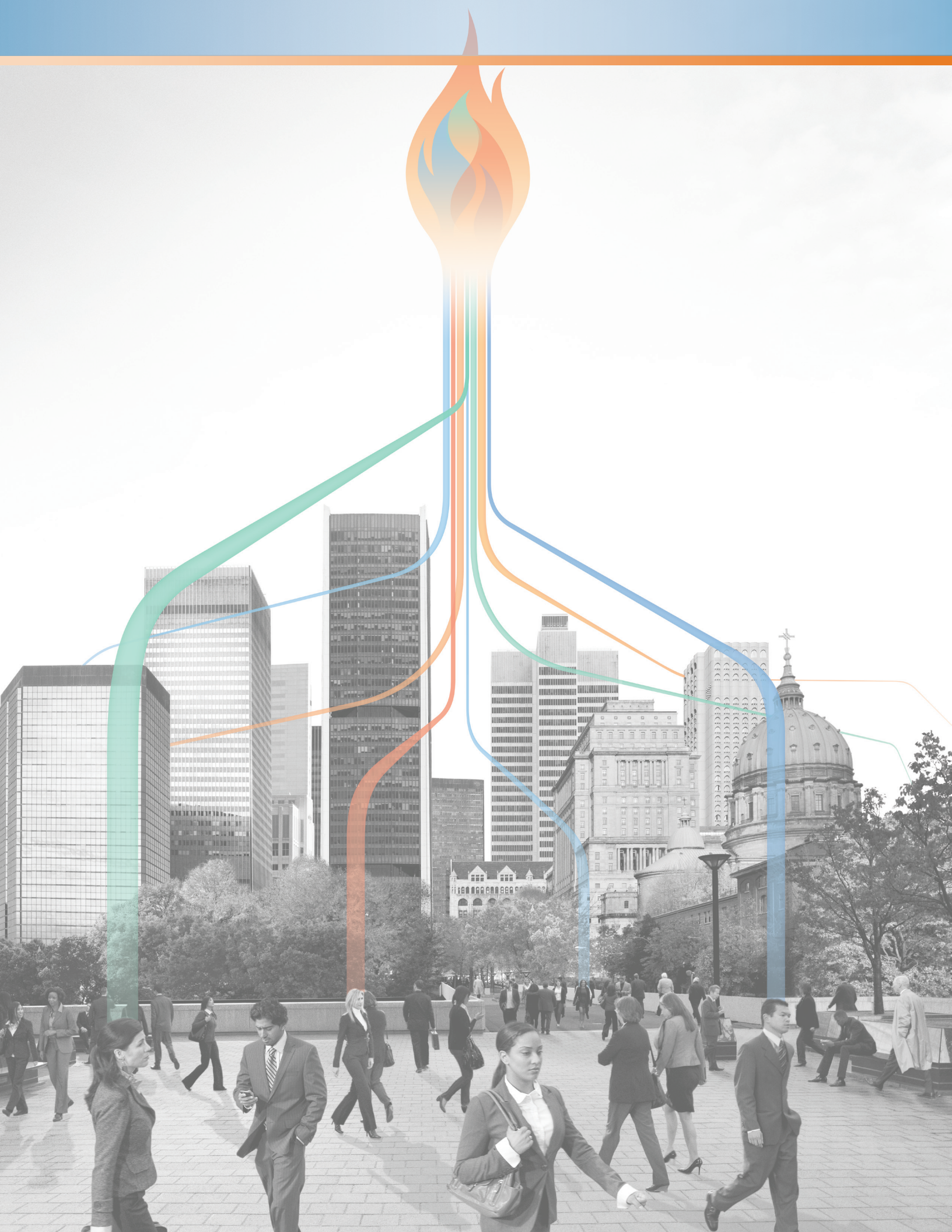
ManpowerGroup™
Solutions

Hiding in Plain Sight: Tapping Into Passive Candidates

Passive Candidate Preferences,
Behaviors and Transition Motivators

This paper includes the second and third sections
in a five-part series from ManpowerGroup Solutions
analysing the results of its Candidate Preferences Survey.





Building a talent pipeline is increasingly complex. There is a shortage of skilled talent and a surplus of lower-skilled workers—increasing competition for the best, brightest and most experienced employees. Often, the best talent is not even actively looking for a job. Employees who are satisfied with their current roles, professional development prospects, compensation, work culture or leadership are not scouring job boards, activating social networks or submitting applications and CVs.

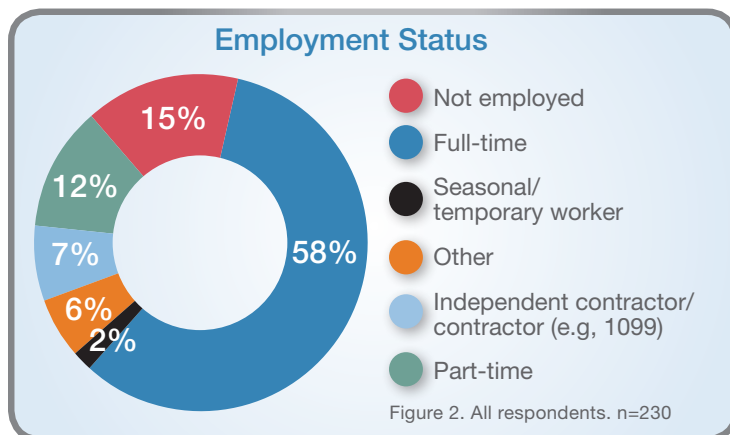
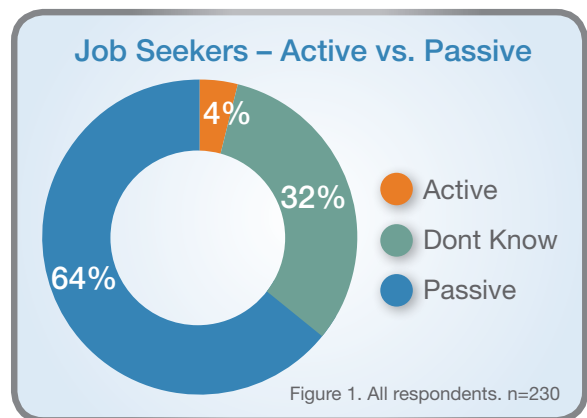
ManpowerGroup Solutions' recent survey showed that 64 percent of all job seekers have applied to two or fewer jobs in the last six months. They are known as "passive candidates."¹ In contrast, their "active" counterparts—people that have applied to three or more jobs during the same time period— account for only 36 percent of job seekers. The survey also revealed that passive candidates have the level of experience and loyalty employees want. In essence, they are exactly the kinds of employees that can give an employer competitive advantage; and they are hiding in plain sight.

The question is how organisations, with the help of recruiters, can seize transient competitive advantage: motivate passive candidates to switch employers and retain their own passive workforce.

To understand how HR professionals can engage passive candidates, the world's largest recruitment process outsourcing provider (RPO), ManpowerGroup Solutions, surveyed more than 200 job seekers about their current employment, job search preferences and transition motivators that drive individuals to seek and apply for new opportunities. What emerged was a clear profile of passive candidates along with insights about how to attract them to an organisation and protect against having them lured away by competitors.

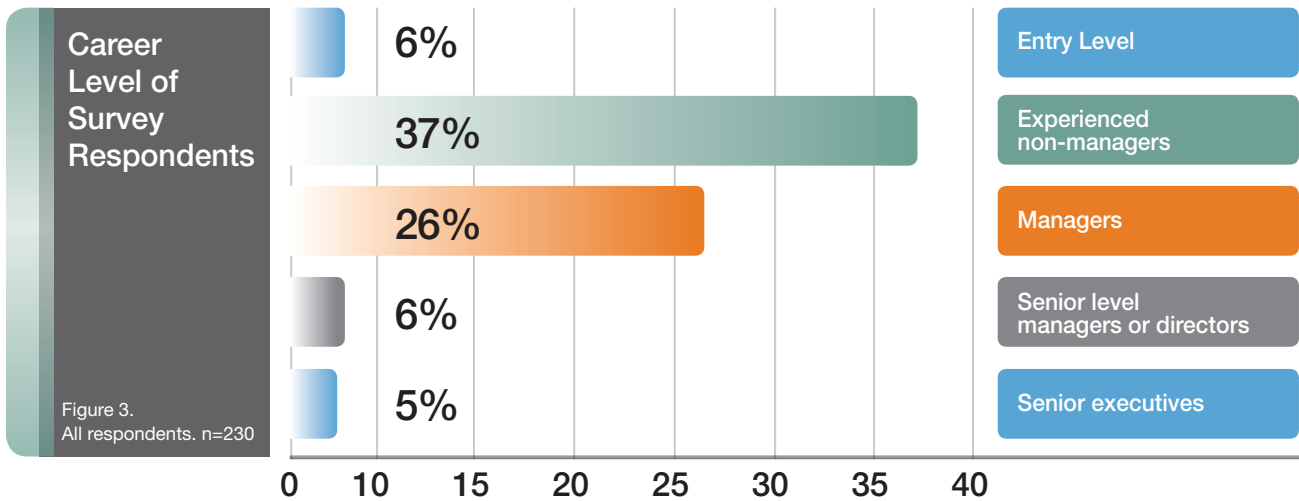
MORE ABOUT THE RESPONDENTS

Overall, the job seekers surveyed represented a cross section of age, income, employment status, career level and industry: 58 percent of respondents were full-time employees, 12 percent part-time employees, and seven percent independent contractors. With respect to career level, experienced non-managers accounted for the largest group at 37 percent followed by managers (26 percent) and senior-level managers (six percent).



Of job seekers surveyed, represented industries included banking, hospitality, retail, telecommunications, construction, manufacturing, energy, defense/aerospace, computer hardware and software, healthcare/health services/pharmaceuticals and education. Respondents were broadly spread across all of these industries.

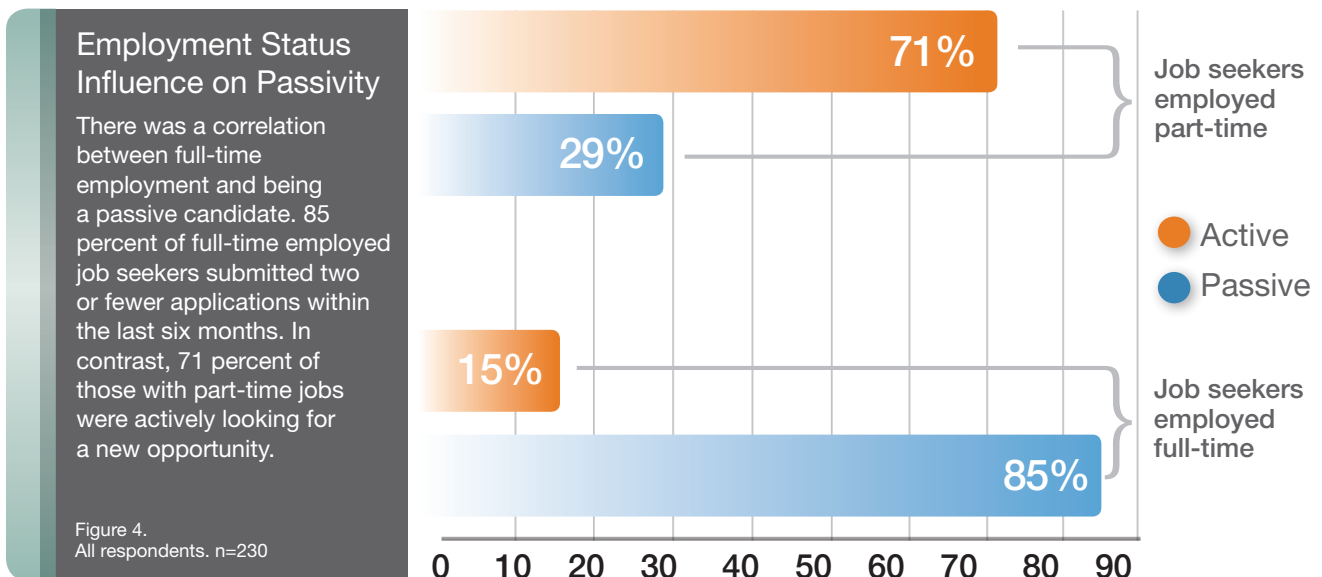
¹ ManpowerGroup's definition of passive candidates as "having applied for two or fewer jobs in the last six months" is based on the break point observed in survey results that found 36% of job seekers have "applied to three or more jobs in the last six months."



A PROFILE OF PASSIVE CANDIDATES

The data revealed interesting correlations between passivity and employment status, income, career level, experience and job tenure.

For individuals who are underemployed or involved in part-time work, securing the next job may be a high-priority activity. However, full-time employment often leaves little time for consistent, proactive job seeking. In a climate where many full-time employees are being asked to take on additional job responsibilities or fill expanded job descriptions to increase efficiency and keep costs down, even successful employees who would like to make a change may not have the professional or discretionary time to apply for a new job.



Income and passivity

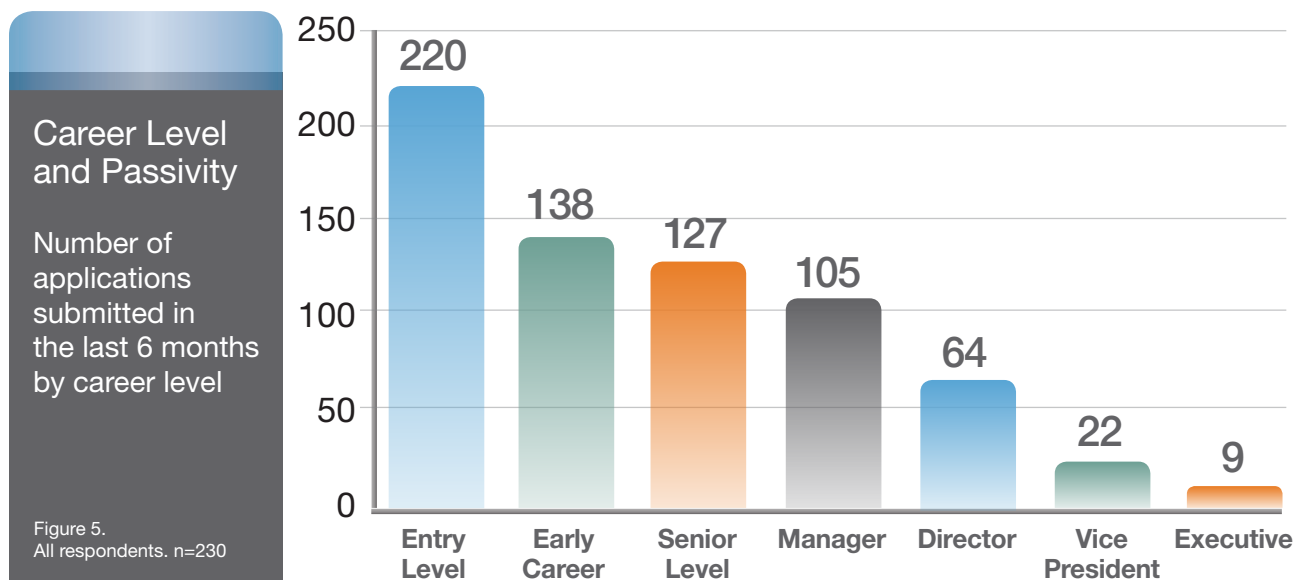
As peoples' incomes rose, their job passivity increased. For example:

- Job seekers who earned less than \$70,000 per year were **1.6** times more likely to seek new jobs than those earning more than \$70,000
- Job seekers who earned less than \$150,000 were **2.5** times more likely to seek out new jobs than those with incomes of more than \$150,000

Compensation has historically been a major motivator for many job seekers. It is logical that talent that is well compensated by employers would be less proactive in their job seeking activity. However, as individuals gain more experience professionally and life circumstances change, compensation may become less of a priority for some people who seek more balance, flexibility or mobility in their careers.

Career level and passivity

As job seekers advanced in their career levels, the number of applications declined precipitously – inferring that career level and passivity are positively correlated.



Fewer applications proactively submitted by senior level managers, directors and executives indicates these skilled and experienced candidates will not contact even the most seasoned HR professional or job board on their own. Passivity may be further enabled by the sweeping changes in technology and the internet. Job seeking online is very different today than it was 10 years ago when Twitter and Instagram did not exist.

Years of experience and passivity

Similarly, the survey revealed a positive correlation between years of experience and passivity with a notable break point: a sharp increase of 16 percent in passivity occurred after an individual exceeded 10 years of experience. Subsequently, passivity continued to increase with each additional year of experience. Upon further analysis, the data indicated that with each additional year of experience, the job seeker was three times more likely to be passive.

The survey data also exposed a significant deviation: for job seekers with more than 20 years of experience the survey revealed a decrease in passivity.

This sudden shift in activity can possibly be attributed to changing life circumstances, career stagnation or a desire to switch careers. From empty nesters who face fewer financial responsibilities and may be more inclined to take calculated career risks, to employees who may reach a plateau of responsibility or professional growth and seek new challenges, these formerly passive candidates can fill the talent pipeline for the savvy HR professionals who can engage them.

Job tenure and passivity

Finally, the survey showed a positive correlation between maintaining a job with the same employer and passivity. After five years of job tenure, passivity rose sharply by more than 20 percent among job seekers. With each additional year of on-the-job tenure, passivity continued to increase.

By definition, tenured employees demonstrate employment stability and lower turnover rates at their organisations. While it cannot be assumed from this that all such individuals feel loyal to their employers, it does imply that job or career changes may need to be fostered by recruiters through building long-term relationships. Acquisition cycles may indeed be longer for these individuals than for active job seekers. Recruiters and HR professionals should recognise that possibility in their strategies.

JOB TRANSITION MOTIVATORS

ManpowerGroup Solutions research identified six key motivators that impact a job seeker's decision to seek out and take a new job. Survey respondents were asked to identify the top three factors they considered to be most important when making career decisions. In addition, to better understand what can create a sense of urgency among candidates, respondents were also asked to identify the single most important factor that would motivate them to immediately pursue a different job opportunity.

More research is needed to determine how these may differ for passive candidates, but the findings suggest there is evidence that advancement may be especially appealing among passive candidates. Consider the following:

Talent Insight

“As recruiters tap passive talent, they should consider life stage and shifts in the candidate's career which determine a candidate's propensity for passivity. These shifts can help recruiters and other HR professionals determine when and how they should approach passive employees to ensure they can help them with successful career transitions.”

Jon Ray Rivera
vice president of client delivery
ManpowerGroup Solutions

Compensation

Compensation was cited by 57 percent of job seekers as being one of the most important factors in career decisions. It was also identified as the most motivating factor in getting job seekers to immediately pursue a different job opportunity (37 percent). In fact, it was two to three times as powerful as the next highest-ranking motivators — “type of work” and “benefits.” This was also true for passive candidates, 44 percent of whom identified compensation as an immediate transition motivator. To compete effectively for talent, employers must know their markets and align pay with job function, level and performance. Given

passive candidates' experience, advanced skill sets and track records for stability, a case can even be made for compensation levels at the higher end of an established range. For employers who cannot always offer the most competitive salaries, other key motivators (e.g., type of work) will be important parts of the package.

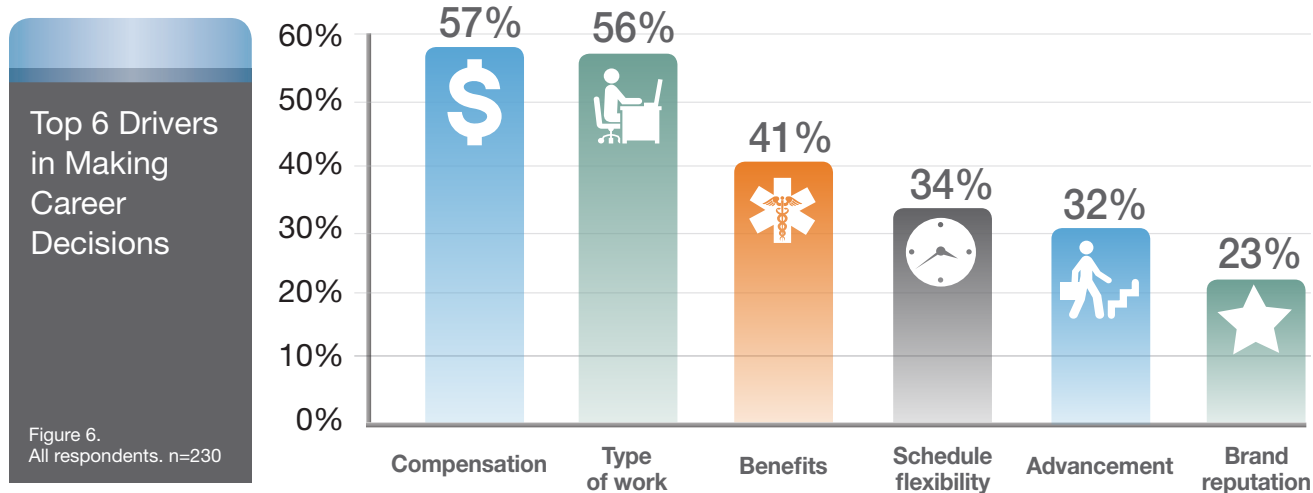
Type of Work

Type of work was identified by 56 percent of job seekers as one of the most important factors impacting their career decisions. The importance of an individual's job description also ranked second among job seekers as an immediate motivator for transitioning (16 percent). Among passive candidates, the type of work they would be expected to perform tied with “advancement” as the second-ranked key motivator for making an

immediate change. These findings point to the importance of clear, well-crafted job descriptions as well as recruiting strategies that emphasise opportunities to develop new skills, expand responsibilities, or broaden their contributions to the organisation. In targeting and competing effectively for passive candidates, employers should listen carefully to candidates and potentially customise job descriptions to meet their individual interests.

Benefits

Benefits were cited by 41 percent of job seekers as being one of the most important factors affecting career decisions. Benefits were also ranked third as an immediate motivator for job seekers to pursue a different job opportunity (11 percent). Although more research on this topic is needed, benefits were not included in the top three factors motivating immediate change among passive candidates: “advancement opportunities” outranked healthcare coverage, profit sharing and other types of benefits. By offering exceptional benefits and other perks and translating them into monetary value for candidates, employers may be able to sweeten the compensation packages they offer both passive and active candidates.



Advancement

Approximately 1 in 3 (32 percent) job seekers identified “the opportunity for advancement” as a top factor in considering career changes. As previously mentioned, passive candidates even ranked it third as a motivating reason to make an immediate transition to a new job. Again, job tenure may be a factor in this difference.

Prospective employers and recruiters targeting passive candidates should articulate growth opportunities and outline clear pathways for professional advancement to compete effectively. Likewise, employers who wish to retain talent and prevent passive candidates from being wooed by the competition need to provide employees with professional development opportunities to acquire new skillsets, continue their education, advance their careers and contribute to organisational goals.

Schedule flexibility

Another 1 in 3 job seekers surveyed (34 percent) identified flexible scheduling options as a key factor in career decisions. Regardless of their ages or experience levels, today’s employees want to take advantage of technologies that enable them to be connected to their work anytime and from any place. Indeed 8 percent of the job seekers surveyed ranked “schedule flexibility” as the top factor that would motivate them to immediately pursue a different job opportunity. HR professionals who clearly articulate flexible work schedules in job descriptions and early on in the recruiting process will have the most success attracting these candidates to the talent pipeline.

Brand reputation

An employer's reputation matters to job seekers: 23 percent of the survey respondents considered "brand reputation" as one of the most important factors when making career decisions. Although it fell behind geographic location as an immediate transition motivator for job seekers, brand remains an important part of the motivational mix. The stronger the company's brand and its reputation, the more attractive it is to potential applicants. The lesson for employers and recruiters is to know the brand and the company culture and learn how to "sell" it to potential candidates, active or passive.

ENGAGING PASSIVE CANDIDATES

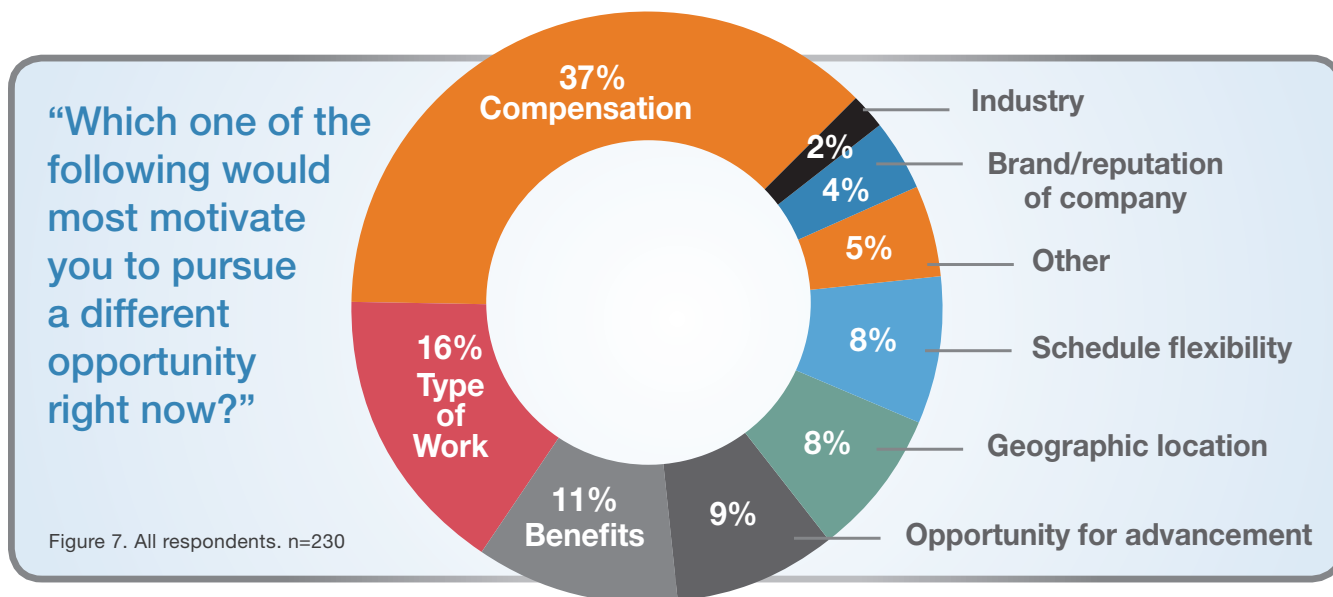
Employers can tap into the passive candidate workforce by ensuring that their HR teams and partners, such as recruiters, fully understand the characteristics, preferences and transition motivators of passive candidates and incorporate them into their attraction and acquisition strategies.

1. Treat Recruiting as Marketing

The most successful HR professionals look at talent through the lens of marketers and apply marketing tools to their sourcing and recruiting processes. As the ManpowerGroup Solutions research shows, this can be an especially important tool for passive candidates who may be at different life stages or have experienced different career paths from their active counterparts. Taking into account passive candidates' unique motivators, needs and life stages, organisations that customise approaches/materials to them will engage them in ways they are not being engaged already.

2. Be Proactive and Prepare for a Longer Acquisition Cycle

Employers should build relationships with passive candidates now and for the future...well before the need to hire arises. Dialing in the proper motivational package – compensation, opportunity for advancement and job description – may take longer for passive candidates than other types of recruits. And smart employers will counter with offers of their own. Be prepared to cultivate relationships until the proper motivational mix and timing coalesce.



3. Enhance Your Employer Brand Experience

Branding is what allows an employer to communicate the factors that are most important to potential candidates, active or passive. Each recruiting experience creates a lasting impression on a candidate and can potentially be shared with that candidate's network. Creating positive candidate experiences should be vital to employers who value their brands and seek to recruit top talent. From integrating motivational messages for passive candidates (e.g., advancement, expanded opportunities for work type) to building responsive websites that create a consistent end-user experience regardless of device, enhancing the brand will draw top talent.

4. Meet Them Where They Are

Passive candidates are "hiding in plain sight" as the title of this paper suggests. They may be less visible on job boards and HR sources, but they are routinely exposed to messages in traditional media, social media sites and blogs. Employers seeking to tap into the passive candidate workforce should expand their branding efforts across media and integrate messages into public relations efforts.

5. Network, Network, Network

By definition, passive candidates are not as active as other job seekers in utilising the resources employers have increasingly come to rely on for talent attraction and acquisition. Making connections can be a challenge. Therefore, HR professionals need to find new platforms and venues where passive candidates may be found. That could include: joining professional organisations, online communities and discussion groups, attending industry events, mining existing ATSs (applicant tracking systems), keeping connected and building candidate referrals with other talent acquisition professionals. Using recruiters can increase the likelihood of finding passive candidates and present an employer's value proposition through multiple touch points.

6. Leverage Your Current Employees

Current employees often know talented potential workers who are in the same industry or potentially willing to make a career transition—e.g., passive candidates. Offering rewards such as bonuses, gift cards or paid time off to existing employees for referring qualified talent is an embedded practice in many organisations and one that can pay dividends in the competition for passive candidates.

7. Differentiate the Opportunity

To attract passive candidates, you need to first answer a passive candidate's fundamental question, "My employer is great. Why should I consider your opportunity?" Be prepared to differentiate your opportunity and make it stand out. Remember that it's your business to know your business and best articulate the opportunity in a way that attracts the right talent.

Properly engaged, passive candidates can help employers create a robust talent pipeline for their organisations. Experienced, stable and potentially adding value to the organisation through outside perspectives, passive candidates may be hiding in plain sight, but are well worth the additional resources necessary to integrate them into employer attraction and acquisition strategies.

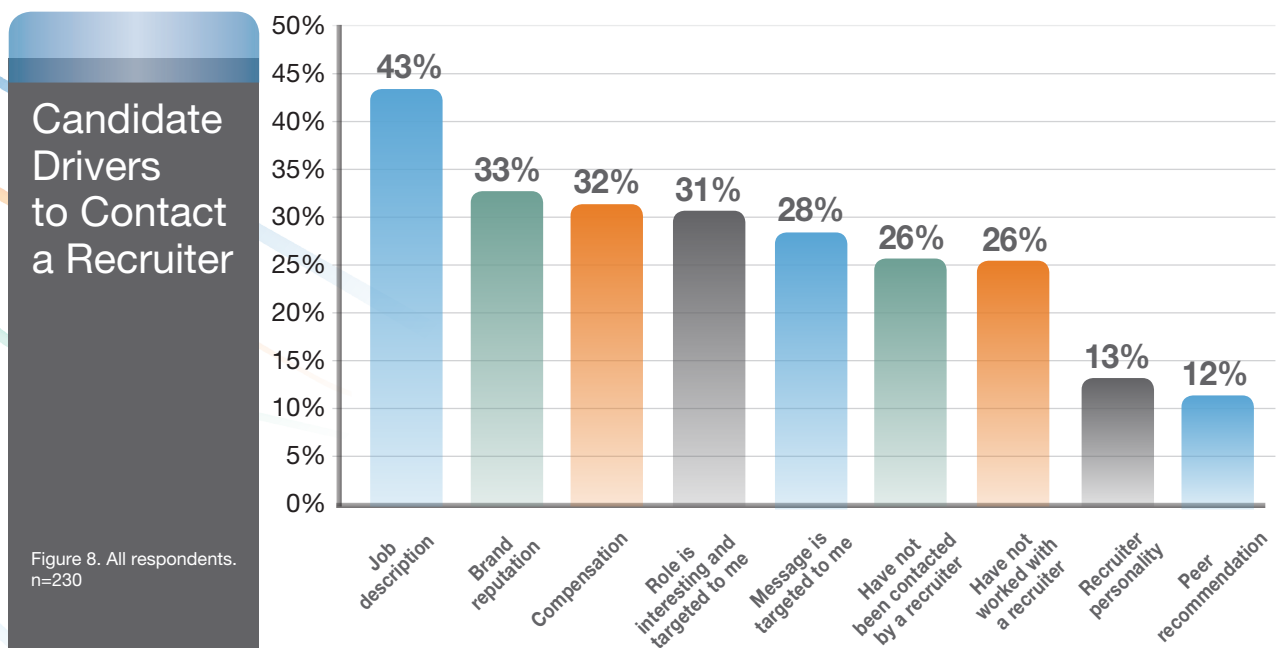
Talent Insight

"To identify the unique factors that motivate candidates to make career transitions, recruiters must listen to and get to know candidates and create the right value proposition. They must use both high-touch or personalised and high-tech approaches to the talent acquisition process. Recruiters must not only humanise job descriptions, but they must also be able to clearly articulate the opportunity for growth, advancement and schedule flexibility as well as the compensation and benefits packages."

Jon Ray Rivera
vice president of client delivery
ManpowerGroup Solutions

Recruiting Insight

ManpowerGroup Solutions research shows that the motivational factors for job seekers to contact recruiters about specific opportunities differ slightly from the factors considered when making general career decisions or immediate transitions. In fact, 43 percent of job seekers who had previously worked with recruiters or been approached by one in the past identified “job description” as one of the leading factors. Trailing well behind that were the other top two factors: “attractive compensation package” and “the company is well-respected with a strong reputation for taking care of their employees.” This suggests that recruiters can add value to the talent acquisition process by helping their clients create job descriptions that clarify roles and responsibilities rather than just list all potential skills desired. This should also be of special value when targeting passive candidates who rate type of work as a motivating factor for immediate transition.



Methodology

The Candidate Experience Survey was an online survey distributed to job seekers throughout the United States. A randomised sample with no demographic limiters was fielded between July and August 2014. 230 total respondents completed the 20-question, primarily multiple-choice survey. Results have a 95 percent confidence level.

ABOUT MANPOWERGROUP SOLUTIONS

ManpowerGroup Solutions prides itself on the ability to analyse and forecast trends impacting the world of work and the marketplace. As skills and available talent change and marketplace priorities shift, it is critical for organisations to have timely, relevant, and accurate insights into the global workforce. With this in mind, we make significant investments to understand and share observations around macro-trends (e.g., demographics, employment, economics) and their likely impact on talent sustainability.



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