

Keeping your talent in a competitive market: tips for employers



Anybody recruiting new talent knows the employment market has contracted, and successful candidates are baking in pay increases to their ask. The [June 2022 ONS figures](#) estimate there are 1,330,000 vacancies to 31 March 2022. That's a 20,000 increase from the previous quarter. The public sector is similarly affected, with large employers like the NHS England carrying a vacancy rate of 10% for key roles[1]. Employers are fast-tracking their on-boarding processes and at the same time seeing their existing people demand pay increases under the implicit threat that they could get a better paid job elsewhere. With the consolidation in the financial, retail and even legal sectors, larger businesses are able to offer higher packages to tempt staff away.

How can you protect against your business losing its best talent?

Have an ear to the ground

Regular check-ins with your people are more important than ever. Particularly when staff work remotely and asynchronously. People may have many reasons to be distracted but the team member who is dissatisfied or disengaged will be giving clues whether their camera is always turned off or they never join social events

Engage your best talent

A differentiator between businesses is the degree to which their people feel they belong and are aligned to the organisation's purpose. An employee who sees the vision and enjoys being part of the community that puts it in to practice is less susceptible to being enticed away. Using programmes to support your people to acquire new



skills, give back to their local community and play a part in the organisation's strategy via surveys that actually result in meaningful change, drive a culture to which people want to belong.

Train your leaders

Budgets have been squeezed but there is plenty of truth in the adage that people don't leave organisations, they leave their boss. Enabling your leaders to lead their people consistently and decisively to a central goal is worthwhile at any time but the pressures of leading hybrid teams with different challenges has shone a light on the support need. The corollary to this is ensuring people are accountable and that unacceptable behaviour is addressed rather than excused.

Reward your people

Linking performance to reward has never been more important. Salary increases are not the only way forward. They increase your organisation's base costs for every following year and incur additional costs for pension contributions and NICs. Adopting pay and bonuses that are clearly tied to performance can bring about a win, win – the employee is better paid and the organisation achieves its business aims. Increasing holiday entitlement, giving flexibility to personalise their benefit package and agreeing agile working arrangements are all being employed to retain staff.

Paper the deal

Whether you are on boarding a new hire or increasing an employee's package, you want to ensure the business is getting the protection it needs in return. Most businesses will have clauses in their contracts preventing an employee from using their information or taking away their clients for a period. If these are missing, they can be introduced at pay rise time and you need to change them as employees become more senior and a greater threat should they leave.

Warn them off

When an employee leaves, you want to remind them of their obligations whether they are called restrictive covenants or post-termination restrictions. You may also want to put a "shot across the bows" of their new employer and alert them to the work or clients your employee is not permitted to touch. The first step is to write to the employee and their new employer for assurances (called undertakings) that they'll comply with the contractual terms. If you are not satisfied, it's time to consider whether the loss of clients or other staff merits taking legal action. The courts will hold an employee and their new employer to the bargain they agreed with you too as long the clauses are "no wider than necessary" to protect your business interests. These orders (injunctions) involve an initial cost but enable you to stem the tide and reduce the damage caused by departing employees.

[1] E.g. NHS England data shows a registered nurse vacancy rate of 10.0% as at 31.3.22 up from 9.2% on 31.3.21



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