



ALEX CHAUSOVSKY PRESENTS



Building an Effective Talent Strategy

Proven tactics to attract, hire and retain
your most-valuable asset



BUNDY GROUP
Mergers & Acquisitions | Capital Raises



Topics We'll Cover

Our Talk Today

- Labor Market Update
- Attracting Top Candidates
- Hiring Strategies
- Talent Retention
- Best Practices

National Labor Market Performance

>> March 2024



JOB GAIN

303K



UNEMPLOYMENT RATE

3.8%



AVG HOURLY EARNINGS

4.1%

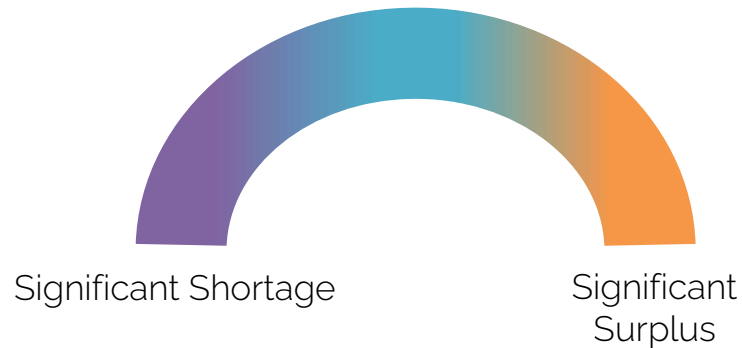
Past 12 Months



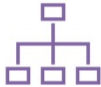



Labor Market Remains Tight

3.8%

National Unemployment Rate
March 2024

Market Supply



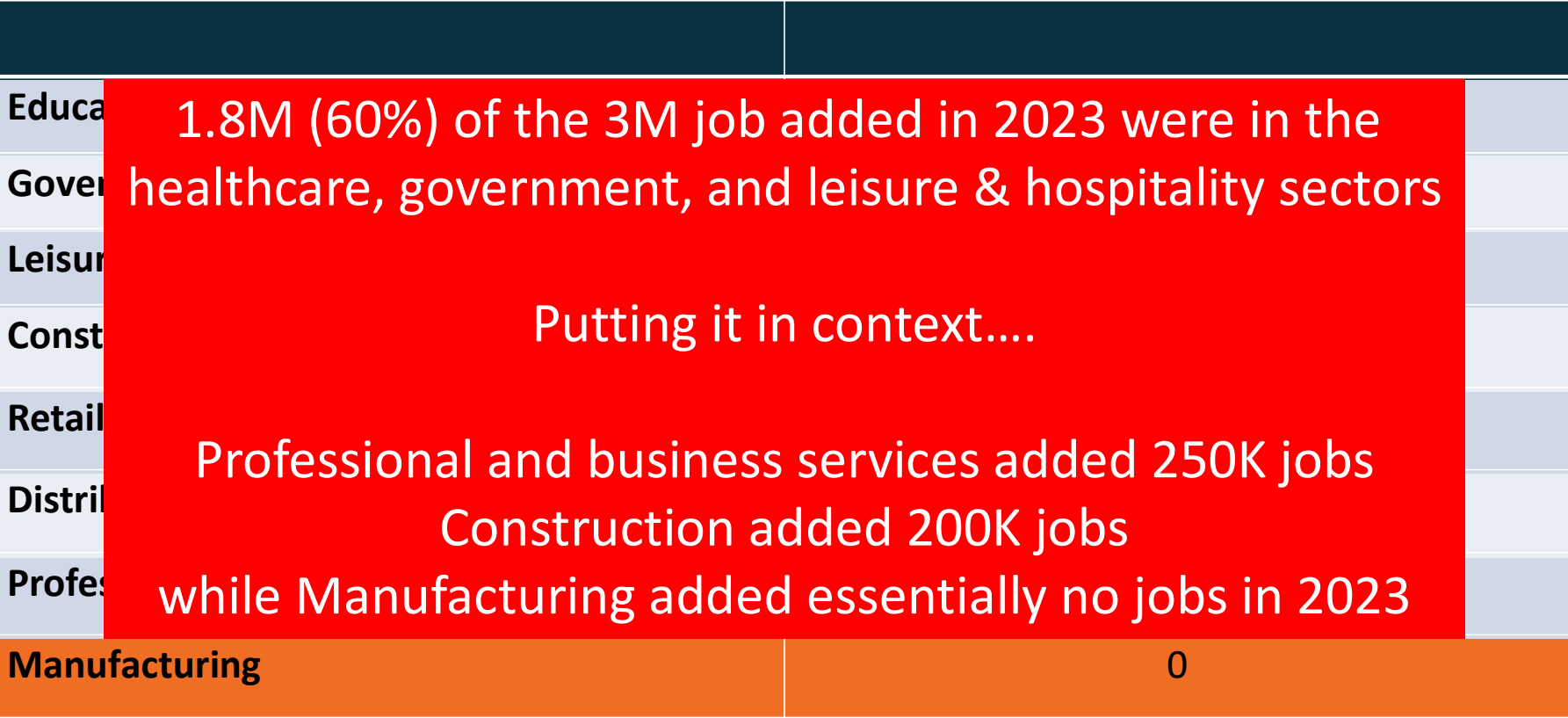
	Legal	1.9%
	Healthcare Practitioners	1.0%
	Management	2.3%
	Architecture & Engineering	4.3%
	Tech	4.3%
	Business & Financial	2.0%

Jobs Added by Sector - March 2024

Education and health services	88K
Government	71K
Leisure and hospitality	49K
Construction	39K
Retail trade	18K
Distribution	9K
Professional and business services	7K
Manufacturing	0

Source: Bureau of Labor Statistics | Bundy Group

Jobs Added by Sector - March 2024



1.8M (60%) of the 3M job added in 2023 were in the healthcare, government, and leisure & hospitality sectors

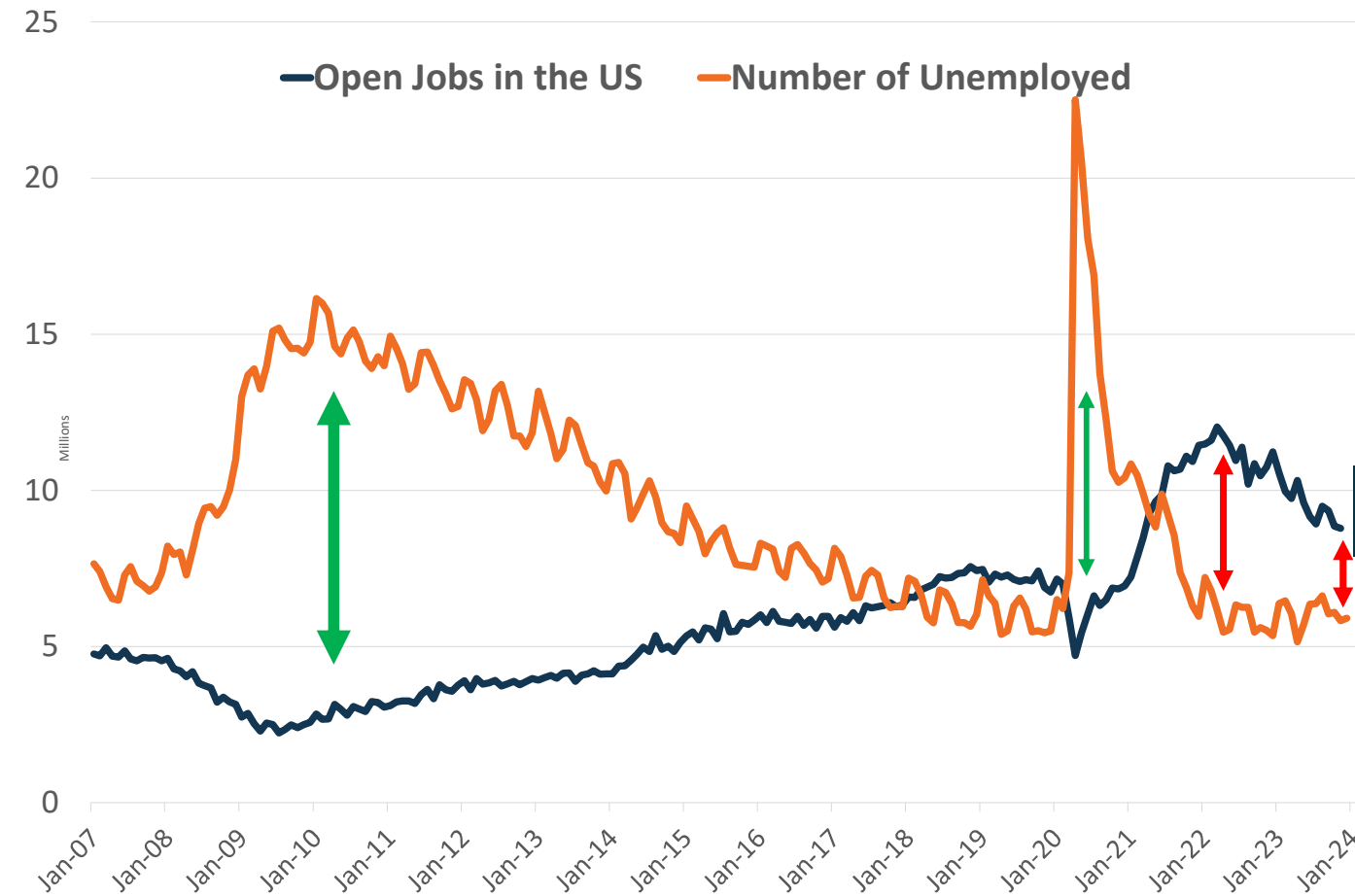
Putting it in context....

Professional and business services added 250K jobs
Construction added 200K jobs
while Manufacturing added essentially no jobs in 2023

Manufacturing

0

The Labor Gap has Shrunk

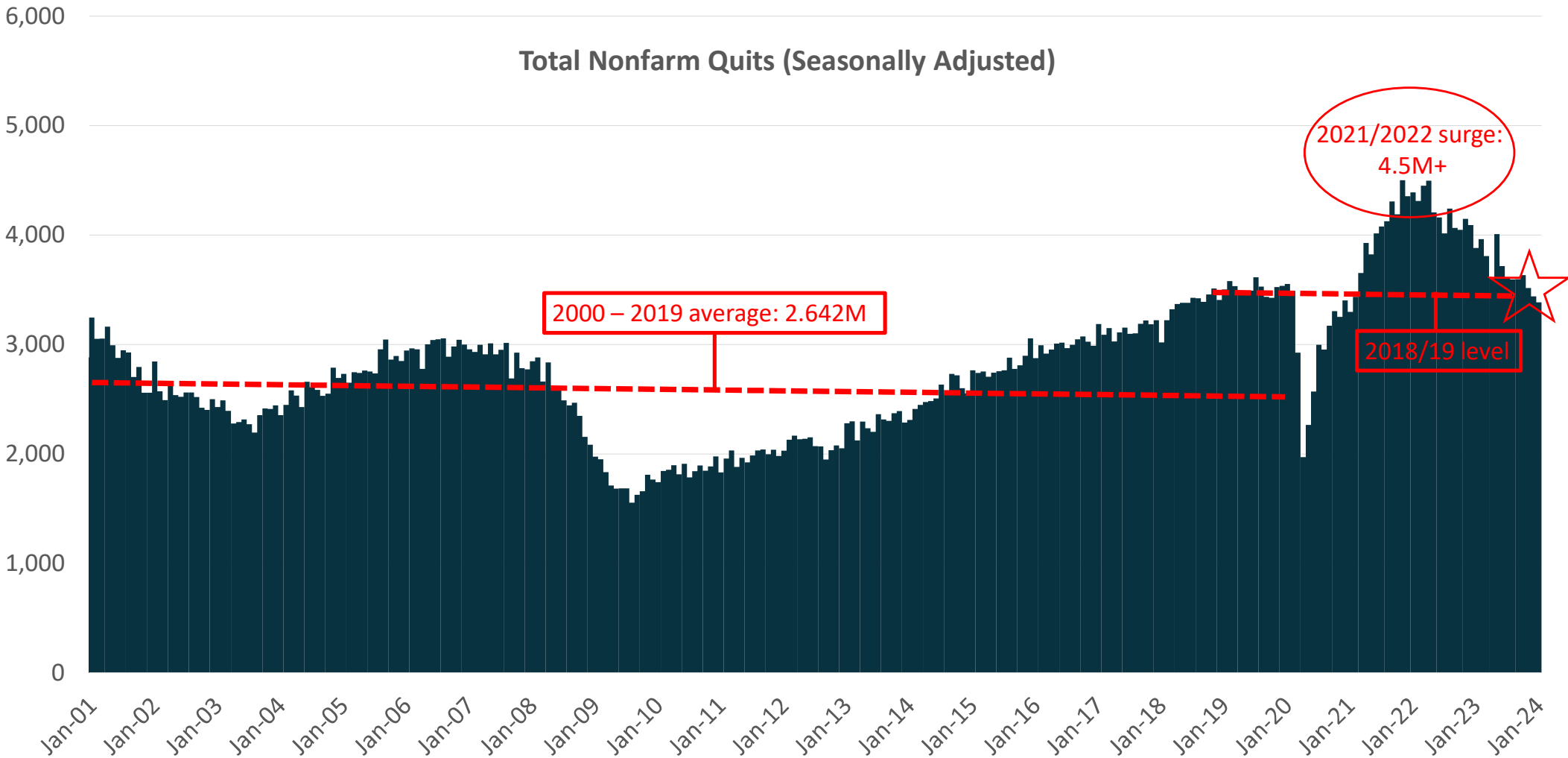


Prominent Sectors

- 2.0M Education & Healthcare
- 1.7M Professional & Business
- 1.0M Leisure & Hospitality
- 1.0M Government
- 662K Retail Trade
- 601K Manufacturing
- 449K Construction
- 224K Wholesale Trade

Quits Back to Pre-Covid Level

Total Nonfarm Quits (Seasonally Adjusted)

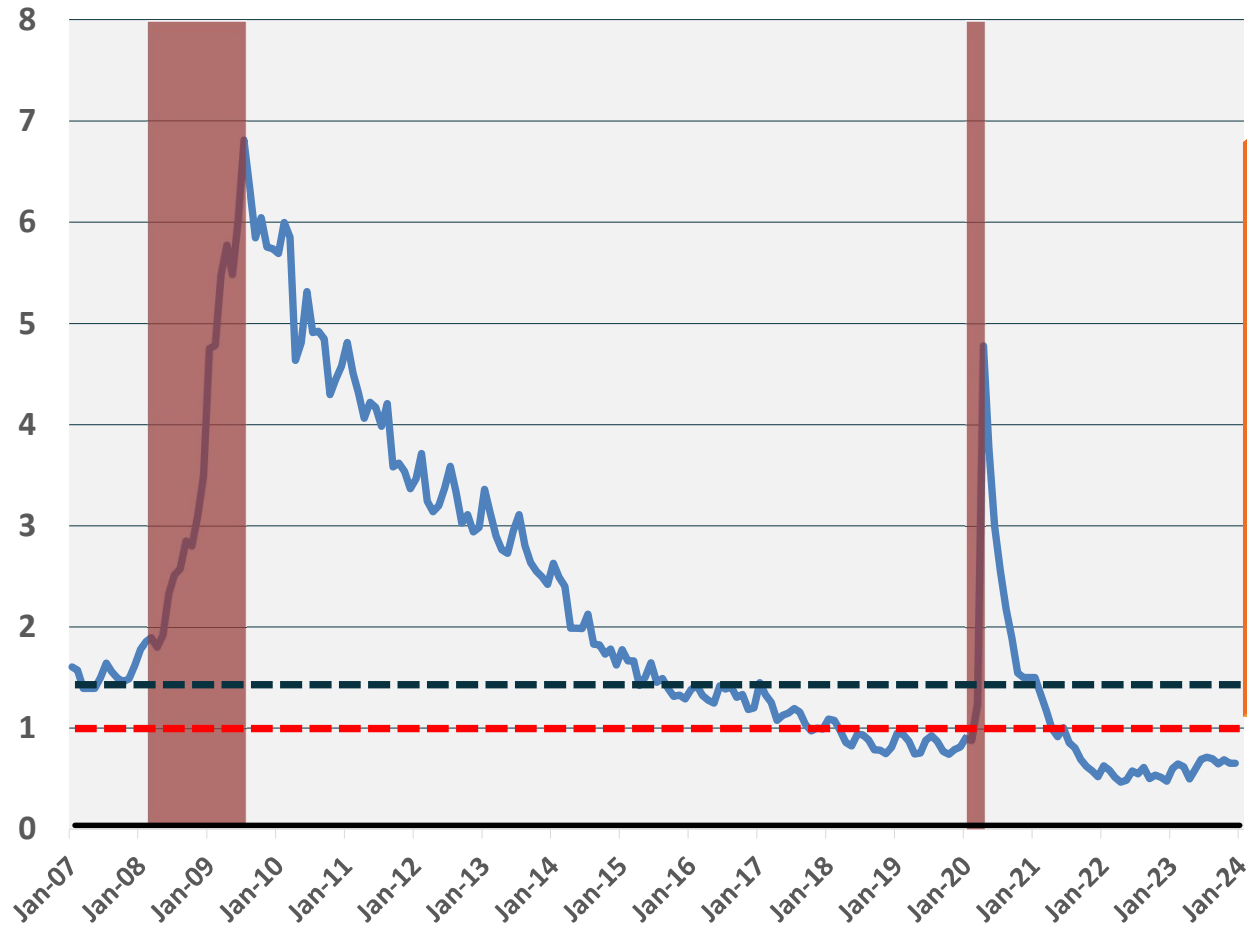


2021/2022 surge:
4.5M+

2000 – 2019 average: 2.642M

2018/19 level

Number of Unemployed per Opening



0.73

Number of Unemployed
individuals per job opening

Talent Supply & Demand Disruptors



LABOR
SUPPLY

HYBRID &
REMOTE
WORK



COVID-19
SURGES &
VACCINES

WAGES &
INFLATION





Do you have a Talent Strategy?

Yes, absolutely! Who doesn't?	27%
No, but we're working on one!	64%
No, we're fine without one.	9%

This is a clear call to action for many businesses!

Attracting the Top Talent

WHAT CAN YOUR
ORGANIZATION DO TO STAND
APART?





Factors of Consideration

- Your Leadership
- Your Strategy
- Your Culture
- Your Comp & Benefits
- Your Management Team
- Your Vision
- Your Mission
- Your Values
- Your Market
- Your Product



MARKET

Markets are not monolithic.



PRODUCT

Explain why your offering is positioned to take advantage of growth?



TEAM

Who are the Key Players and what have they accomplished?



MISSION

What is the company trying to accomplish beyond making money?

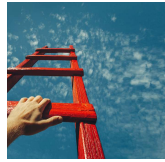
FOUR PILLARS

Attracting Talent as a
Marketing Function



CLAMPS

A vital part of the conversation
with candidates



CHALLENGE

The work itself, technology, market, ect.



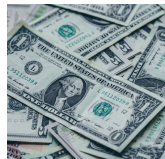
LOCATION

Geography, ability to live & Work where you want.



ADVANCEMENT

Career growth, increasing responsibility.



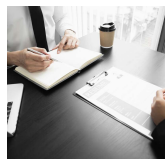
MONEY

Overall Compensation



PEOPLE

Your manager and coworkers



SECURITY

Likelihood of long-term employment

Hiring Best Practices

IMPROVING EFFICIENCY AND
EFFECTIVENESS OF YOUR
ORGANIZATION'S HIRING PRACTICES



Recruitment & Hiring

Training & Development

Employer-Employee Relations

Maintain Company Culture

Manage Employee Benefits

Handle Disciplinary Actions

Create a Safe Work Environment



Active Candidates

- Unemployed
- Proactively searching
- Set up job alerts
- Actively applying (Shotgun approach)

VS

Passive Candidates

- Employed
- Not searching but open
- Casually browsing
- Wouldn't apply unless personally engaged

The Type of Candidates You Interview is Critical

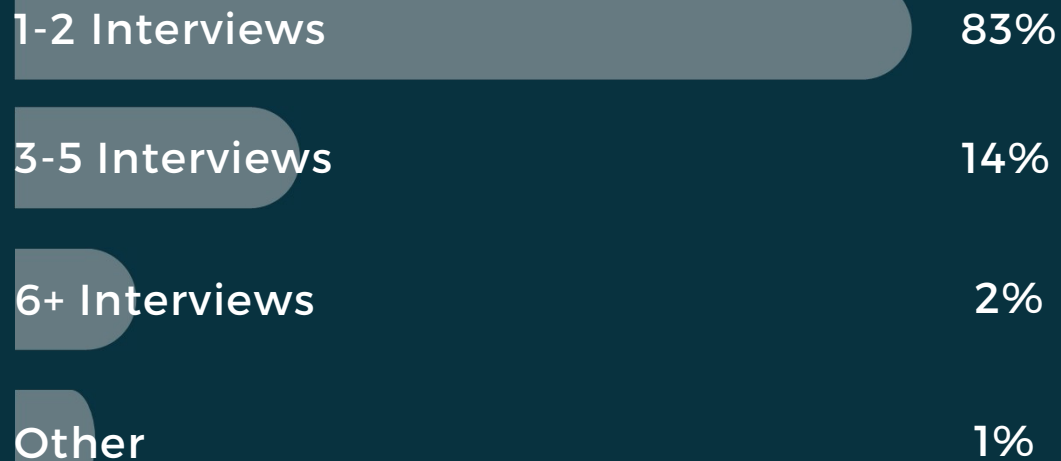
Continuous Improvement is the goal



- It takes ~11 interviews to fill a role with active candidates
- It takes ~4 interviews to fill a role with passive candidates




How Many Interviews Should it Take?



Source: Bundy Group

If your process involves conducting more than 2 interviews to fill a job opening, you could miss out on top talent!



Hiring Metrics to Consider

APPLICANTS PER HIRE

The number of people who have applied to a role

TIME TO FILL

The amount of time it takes to find a new candidate

INTERVIEW TO OFFER

How many interviews it takes to find an offer-worthy candidate

OFFER ACCEPTANCE RATE

The percentage of extended offers accepted

COST PER HIRE

Total monetary and time investment required to fill the role

PROFITABILITY PER ADDITIONAL EMPLOYEE

How much additional profit this position represents

Retaining Impact Players

MOVING THE NEEDLE WHEN IT COMES TO
IMPROVING ENGAGEMENT AND RETENTION





**Top 5 Predictors
of Turnover**

**1. PAY AND BENEFITS ARE NOT
COMPETITIVE**

2. THE IMMEDIATE MANAGER

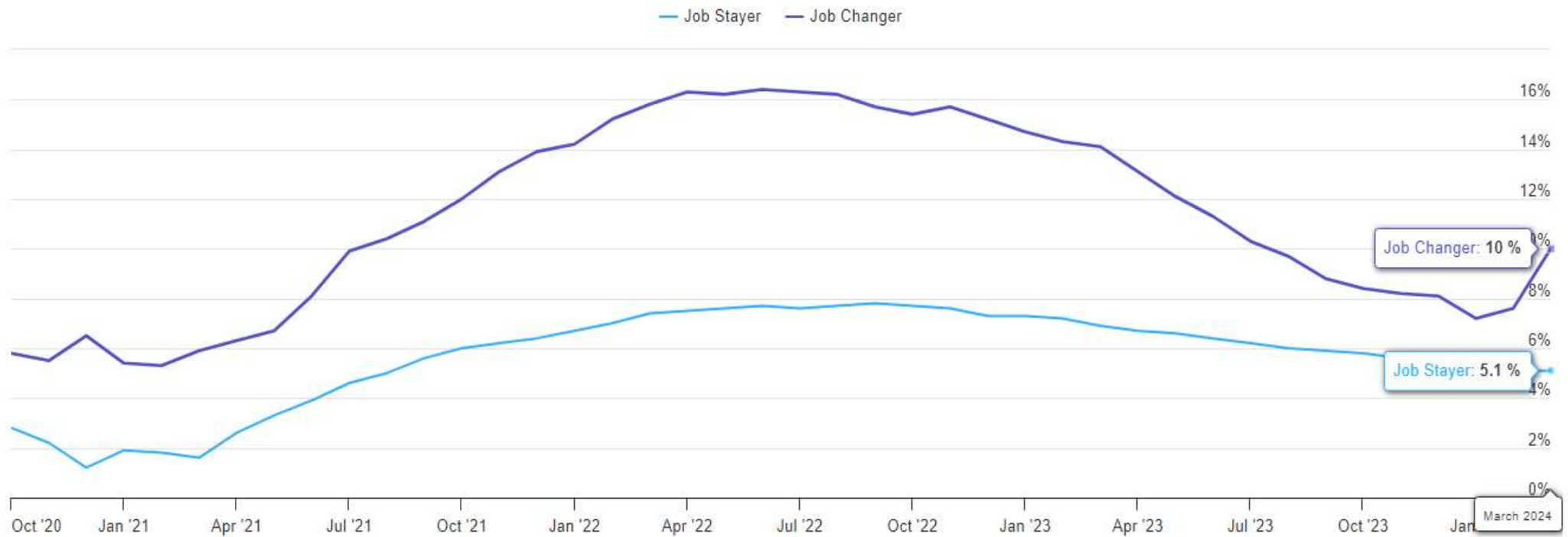
3. POOR COMPANY CULTURE

4. IMPROPER FIT TO THE JOB

**5. COWORKERS NOT COMMITTED TO
QUALITY WORK**

New Hire Wage Premium Still Exists

Median Year-Over-Year Change in Annual Pay by Worker Mobility



Compensation Analysis



Metro Area:	Dallas-Fort Worth-Arlington, TX	Education:	Bachelor's Degree
Experience:	2 - 4 years	Industry:	Manufacturing
Number of Employees:	50 - 99	Annual Revenue Range:	\$10M - \$50M

Key Insights

<p>Recommended Salary</p> <p>↓ \$98,229</p> <p>1.4% lower than the national recommended base salary of \$99,602</p>	<p>Current Supply</p> <p>Significant Shortage Significant Surplus</p>	<p>Salary Forecast</p> <p>↑ \$99,958</p> <p>Expected to increase \$1,729 by Q4 2025 (1.8%)</p>	<p>Median Salary</p> <p>↓ \$89,239</p> <p>0.1% lower than the national median salary of \$89,347</p>
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Quality Assurance (QA) Engineer Recommended Salary



The Salary Gap by Industry

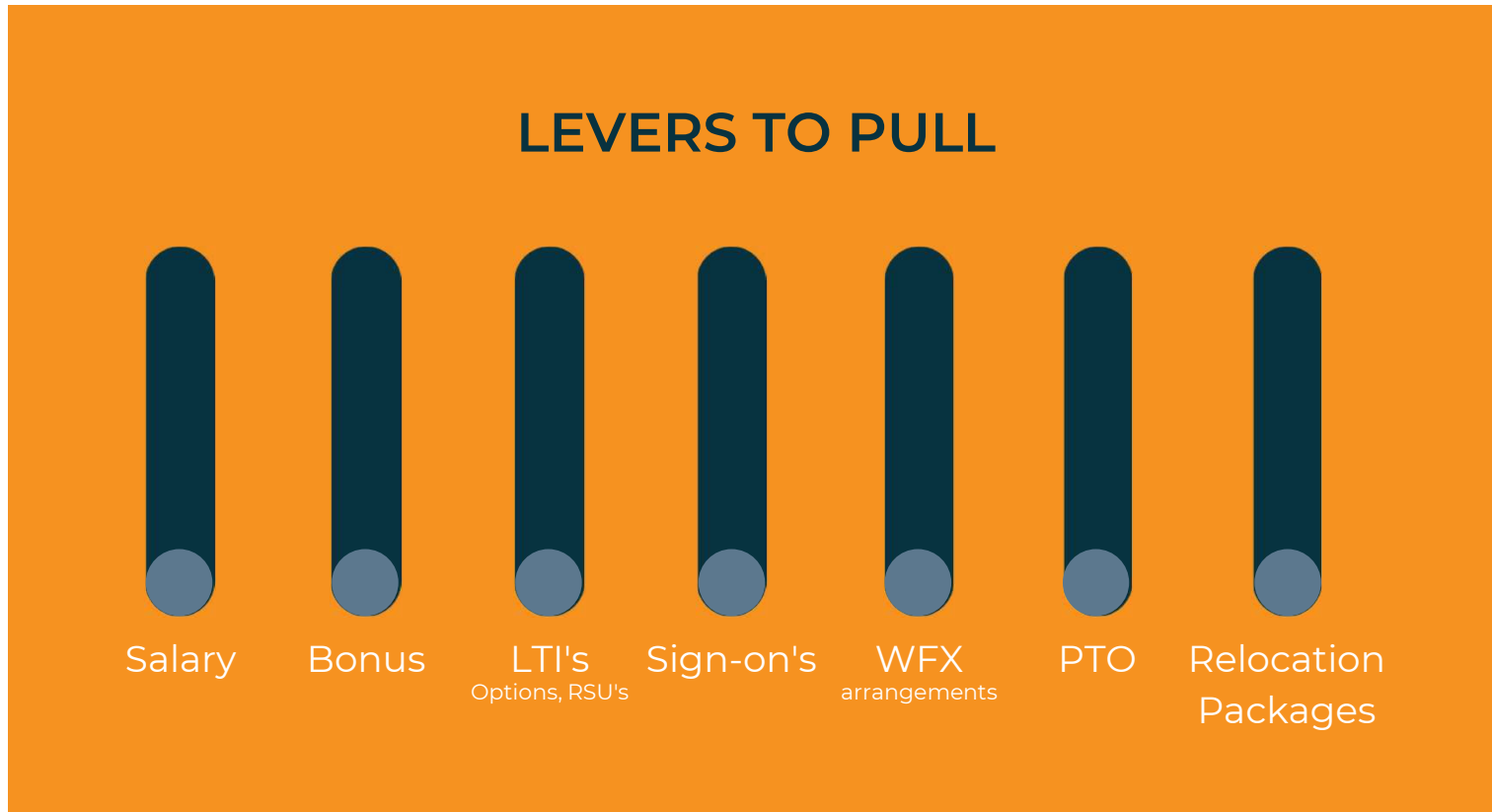
How does this impact salary offers across industries?



Accounting Manager

Note: Salary recommendations based on Bachelor's degree and 4-6 years of experience.
Sources: LaborIQ®; Bureau of Labor Statistics; Bundy Group

A Comprehensive Offer



Are your current employees getting paid what they're worth?

Job Title	Degree Required	Years of Experience	Actual Employee Salary	Lower Boundary	LaborIQ Recommended	Upper Boundary	Difference vs. Recommended
Finance Director	Bachelor's, CPA	8 to 10 years	100,000	168,757	177,639	186,521	-41%
Purchasing Director	Bachelor's	6 to 8 years	73,500	149,958	157,851	165,744	-51%
Sr. Accountant	Bachelor's	6 to 8 years	75,000	90,571	95,338	100,105	-17%
Accounting Manager	Bachelor's	4 to 6 years	70,000	100,545	105,837	111,129	-30%
Accounts Payable Specialist	Associate's	2 to 4 years	44,500	48,083	50,614	53,145	-7%
HR Admin	Bachelor's	2 to 4 years	47,000	41,185	43,353	45,521	3%
Benefits Specialist	Bachelor's	6 mon to 1 year	40,000	58,104	61,162	64,220	-31%
Director of IT	Bachelor's	10+ years	160,000	184,913	199,906	214,899	-13%
IT Specialist	Bachelor's	4 to 6 years	66,600	97,769	102,915	108,061	-32%
IT Help Desk	Associate's	2 to 4 years	48,200	83,489	87,883	92,277	-42%
Marketing Manager	Bachelor's	2 to 4 years	54,000	74,799	78,736	82,673	-28%
Account Manager	Bachelor's	2 to 4 years	78,000	81,611	85,906	90,201	-4%
Chief Financial Officer	Master's	10+ years	219,357	212,567	223,755	234,943	In Range
Machine Operator	High School	4 to 6 years	41,600	32,370	34,074	35,778	16%
Maintenance Technician	High School	6 mon to 1 year	45,760	47,767	50,281	52,795	-4%
Quality Control (QC) Technician	High School	6 mon to 1 year	44,096	39,164	41,225	43,286	2%
Senior Process Engineer	Bachelor's	4 to 6 years	89,523	95,687	100,723	105,759	-6%
Senior Sales Representative	Bachelor's	8 to 10 years	112,864	126,618	133,282	139,946	-11%
Shipping Clerk	High School	2 to 4 years	35,760	33,040	34,779	36,518	In Range
Warehouse Supervisor	High School	6 to 8 years	40,926	42,633	44,877	47,121	-4%
IT Systems Analyst	Bachelor's	2 to 4 years	72,030	89,067	93,755	98,443	-19%
Vice President (VP) of Operations	Bachelor's	10+ years	133,200	162,859	176,064	189,269	-18%



Post-Pandemic Job Market Requires Focus on Retention

Old Approach

HR: What sort of perks would make your life better here?

Me: Higher salary, flexibility, more vacation

HR: Imao here's some potato chips and permission to wear jeans on Friday

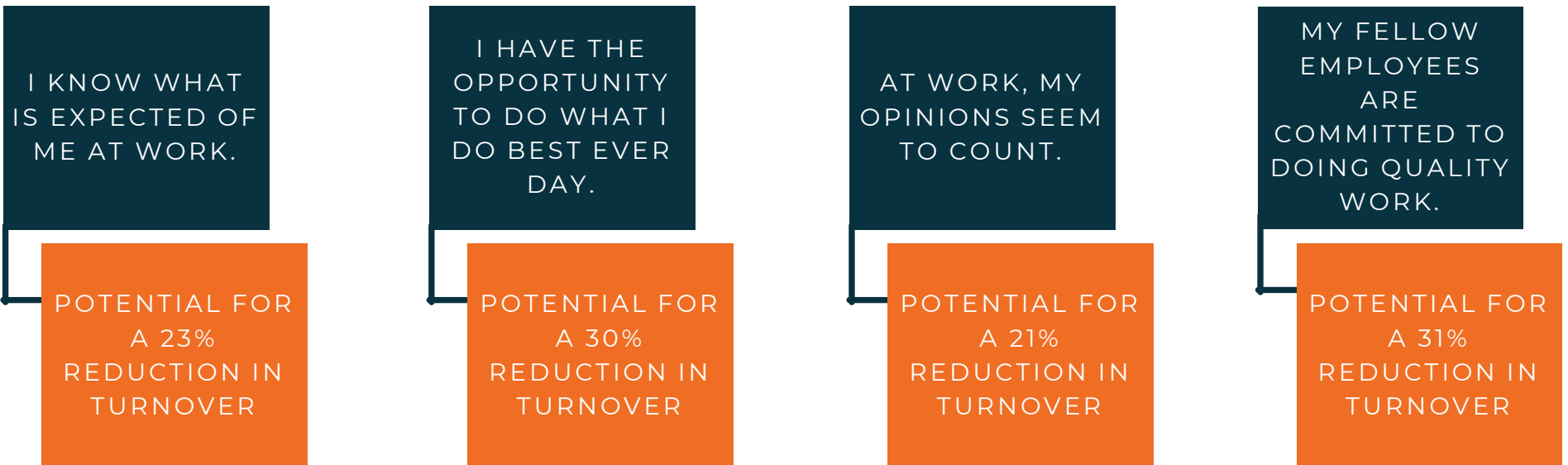
VS

New Approach

Gallup Q12™ Engagement Hierarchy



Key Retention Gauges:





Retention Metrics to Track

EMPLOYEE RETENTION RATE

The number of employees who have stayed within a given period

EMPLOYEE TURNOVER RATE

The number of workers that must be replaced within a given period

VOLUNTARY TURNOVER RATE

The turnover rate for staff who choose to leave

EMPLOYEE TURNOVER COST

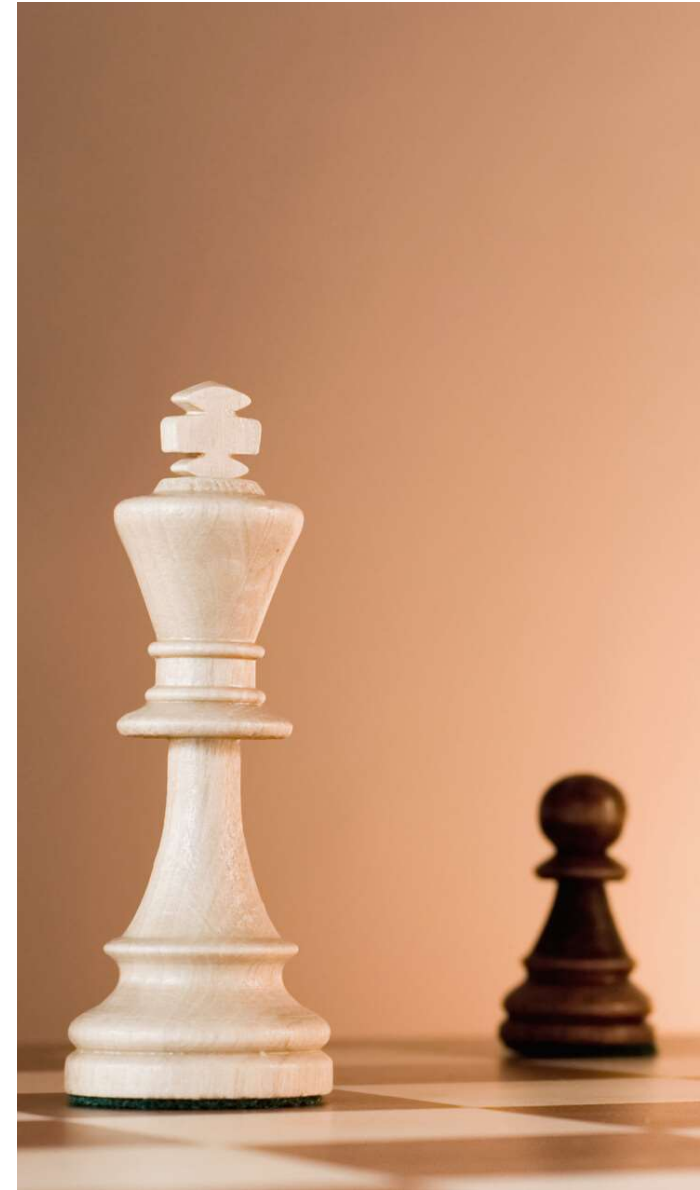
The amount it takes to bring in a replacement employee

EMPLOYEE TENURE

The average amount of time employees stay at your company

Key Takeaways

ACTIONABLE AND PRACTICAL ADVICE
FOR CONTINUOUS TALENT STRATEGY
IMPROVEMENT



Developing an Effective Talent Strategy Requires Commitment

- Allocate resources to developing and continuously improving a comprehensive talent strategy
- Be a data-driven decision-maker
- Find partners and allies
- Communicate why your company is attractive and understand candidate priorities
- Strive for efficiency and top-notch communication in the hiring process
- Competitive pay is key; also, ask for input, listen, and respond to keep your people



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