How to Locate Good Candidates in a Tight Labor Market

The challenge of finding good people becomes even more challenging in a tight labor market. Bad hires can result in early quits or terminations – which means incurring costs for the same position again at a time when hiring costs are already high!

As an employer, it is important to remember that good candidates certainly exist, even in a tight labor market. What is critical is how you reach out to them. However, employers must not start to compromise on their requirements for good talent because this can lead to performance erosion in your company. Good talent is what gives your business a competitive edge. Hiring poor candidates means not hiring qualified candidates that your business really needs. And of course, poor performers can make your high performers quit. Talented employees like to work for companies that have other good talent. If they start feeling that their company’s hiring standards are depreciating, they may want to move on for a position in another organization that houses more talent than your company, and that gives their career and resume a more easy push.

Identifying the Right Talent in a Tight Market:

- Employee referrals can be a big help from your existing employees. No one wants to refer to a poor candidate – after all, it’s their reputation at stake too!
- Networking works. Go back to your networks and spread the word about your job requirements. Ask acquaintances and friends if they had former employees who were excellent employees matching your requirements.
- Hire a professional recruiting firm that may already be working for others in your industry.
- Post job openings in multiple media, attend expos and job fairs that can help you meet diverse candidates.

What should employers do to keep their business well-funded with the right talent?

- Reduce employee turnover. The fewer people you lose translates into lesser need for recruiting afresh, unless you are in a high-growth phase of your business. In a tight labor market, losing high performers can be the biggest loss for your company.
- Create a “good employer” reputation for your company. When a company is known to care for its employees and has good HR policies in place, prospective candidates will proactively seek employment with the company.
- When placing an ad, be as specific about your requirements as possible. This will keep you away from less qualified candidates.
applying to your opening in response to the ad.

- Start recruiting even when you don’t have an immediate need – be on the lookout always. Keep your eyes open constantly for prospective employees. If you meet someone who seems to have the qualities and qualifications that can help your organizational requirements, don’t let the opportunity pass by. Plant a seed about future employment.

- Ensure that the HR team behind your hiring efforts understands the job requirements adequately. Those in charge have got to be aggressive and sensitive to attracting the right talent. Analyze your current hiring practices and work on revamping them if you find them inadequate and inefficient in attracting good talent.

Conclusion:

Identifying and hiring high performing employees is what your company needs most in a tight labor market. At the same time, high performing employees are the most difficult to get in such market conditions. However, employers must not fall back on low-quality labor in such times just because they are unable to hire the right candidate. Hold on to your high level of requirements – you are better off leaving a position open than hiring a less-talented employee.