

Employees Stay 41% Longer at Companies That Use This Strategy



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Even employees who love their jobs rarely stay in the same role forever. People want to make career moves — whether that means moving up, trying something new, or finding a role that's a better fit. And companies that help employees do those things reap the benefits.

LinkedIn's [Global Talent Trends 2020 report](#) found that employees stick around 41% longer at companies that regularly hire from within. This has a monumental impact on the bottom line: Gartner estimates that turnover caused by a lack of future career opportunities [costs average-sized companies \\$49 million per year](#). And that figure doesn't even factor in the less quantifiable damage caused by attrition, like the loss of institutional knowledge and the impact on employee morale.

Employees stay 41% longer

at companies with high internal hiring compared to those with low internal hiring.



Internal recruiting used to be all the rage, but it fell out of fashion as companies began focusing on outside hires. While it's still important to bring in new perspectives and fill skills gaps at your organization, talent professionals are increasingly realizing that a balance is important. 73% agree that internal recruiting is becoming more important to their company, and role changes within organizations have increased by 10% since 2015.

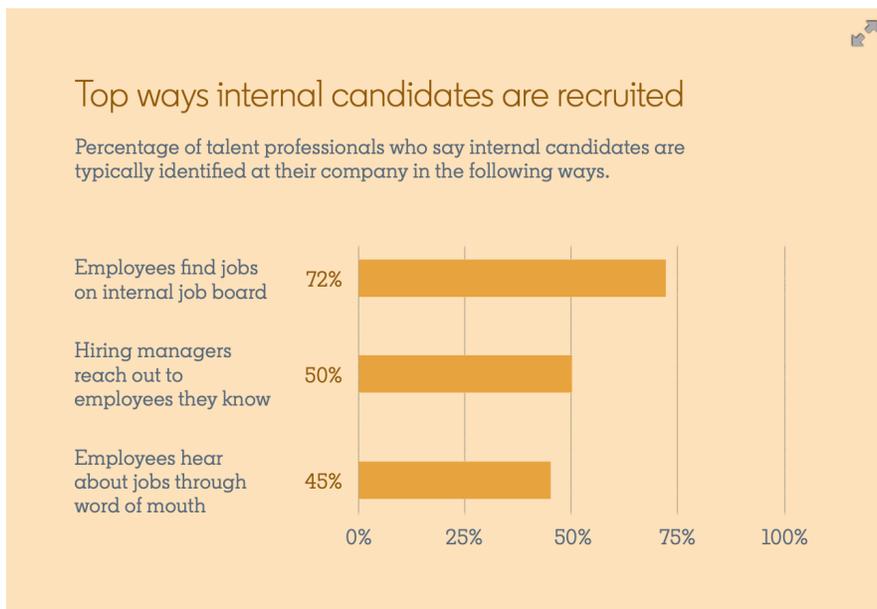


The problem is, while most companies would agree that retaining talent is important, few have a plan in place for helping that talent move around the organization. Here are a few steps you can take to develop your internal recruiting strategy — and keep your best people.

1. Don't wait for employees to come to you — take an active role in identifying and reaching out to them

Today, the majority of internal moves are driven by employees. When asked how their company identifies internal candidates, 72% of talent professionals admit that it usually starts with employees finding jobs on internal job boards. Only half (50%) say hiring managers reach out, and almost as many (45%) say employees hear about jobs through word of mouth.

In other words, unless employees are lucky or actively seeking a new role at the company, their chances of being considered for one are slim.



By taking a more intentional approach to internal recruiting and encouraging your recruiters to proactively reach out, you can show employees that your company is thinking about their future. This can give your retention and engagement rates a boost even if some employees are happy where they are. After all, it's always flattering to know that your work is seen and valued.

Building a formalized internal recruiting program has other benefits too. By maximizing internal hiring, 63% of talent professionals say their [hiring process will be faster](#). And since existing employees are already up to speed on internal systems and processes, 69% of respondents agree internal recruiting can accelerate new hire productivity. These hires will still need some support and training, but they won't be starting from square one.



Adding structure can also help you level the playing field, giving every employee an equal chance to make internal moves. Without structure, internal mobility tends to boil down to who you know. There's nothing fundamentally wrong with hiring managers and higher-ups making recommendations and putting in a good word, but since underrepresented employees often have [fewer opportunities to network and build relationships](#) with these influencers, this can limit the diversity of your internal hires.

By reaching out more and relying on networking less, internal mobility is opened up to everyone — reducing the likelihood of frustrated employees looking for opportunities elsewhere.

2. Partner with learning and development to make more strategic internal moves, based on current and future needs

Some employees know what they want from their careers and are invested in moving up the ladder. Others aren't sure they've found their ideal fit yet, so they're open to trying new things. But whether they're looking to advance or make lateral moves, learning opportunities can help them get there, which is why teaming up with your company learning and development (L&D) team can help you build a stronger internal recruiting program.

This partnership benefits everyone. Three-quarters (73%) of employees say they would stay longer at their company if there were more skill-building opportunities. And



organization needs now and in the future — and which roles are hardest to fill — greater collaboration will make it easier to nail down a smart internal recruiting strategy that helps employees grow and meets the needs of the business.



This opportunity goes untapped at many companies. In fact, only 23% of L&D professionals say they currently partner with recruiting. By bridging the gap and working closely with L&D to identify skills gaps and develop upskilling programs, you can help more employees make the change they've been craving — while keeping your company's skill base up-to-date.

3. Help managers understand the big-picture benefits of internal recruiting to keep them from hoarding talent

When managers have great employees on their team, they tend to be highly protective of them. Talent professionals identified this as the [top barrier to internal recruiting](#), with 70% saying it's an obstacle for them.



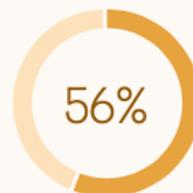
The top 3 barriers to internal recruiting

Percentage of talent professionals who cite the following as obstacles to internal recruiting.

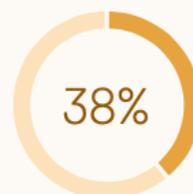
Managers don't want to let go of good talent



Not enough qualified internal candidates



More difficult to diversify workforce



It's understandable that managers have a hard time letting go of top performers that they've spent time and energy training and developing. But this overprotectiveness can lead to employees feeling stifled — ultimately making them more likely to leave.

Help managers see that internal recruiting benefits the organization as a whole, helping it keep its best talent in the fold. This benefits managers in the long run too, since there's a good chance that top performers from other teams will join their own. Depending on the manager in question, they may be more convinced by hard data or anecdotes from their peers, so tailor your pitch to get them on board.

You can also show managers how much your organization prioritizes internal recruiting by incentivizing them to play an active role. If they recommend a team member for an internal position, for example, this should be highlighted in their next performance review and considered during salary and promotion discussions.

4. Ensure employees have a candidate experience that reinforces their trust in your organization

Internal recruiting can strengthen an employee's commitment to your company — but handled poorly, it can also weaken it. The last thing you want is for an employee to feel valued when they're considered for a new role only to grow disheartened by a



negative [candidate experience](#). An external candidate might [drop out of the process](#) and speak negatively about your company. An internal one might quit.

You wouldn't intentionally forget about existing employees when designing your candidate experience strategy. But if your internal recruiting program is still a work in progress, it can be easy for these candidates to slip through the cracks.

Make sure you're communicating with internal candidates as often as you would with external ones. Keep them posted about timelines and next steps, and remember to [formally reject them](#) if they're not right for the role. If they don't get the job, they shouldn't find out about it for the first time when they see the new hire around the office, as this can severely damage their trust in the organization.

To ensure employees know that the company wants to help them advance their career, even if they didn't get a particular role, encourage hiring managers to connect with internal candidates at the end of the hiring progress. By pointing them toward development opportunities or offering to help them prepare next time around, managers can bolster employees' confidence — and their dedication to the company.

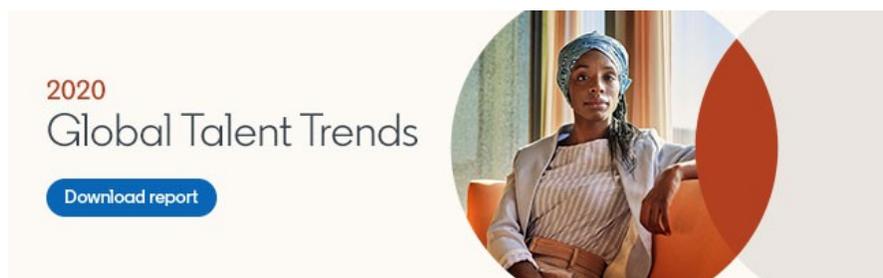
Looking inward can pay dividends

Internal recruiting offers a wealth of benefits to companies, allowing them to fill roles faster, ramp new hires up to full productivity sooner, and [keep great talent longer](#).

Developing a formalized process is key. While internal mobility can happen organically, the more intentional and organized you are about your strategy, the higher the payoff will be — for your recruiting team, your employees, and your company.

For more tips and insights on internal recruiting, [download the full Global Talent Trends 2020 report today](#).

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