



Harris Allied Research Annual Talent Acquisition & Retention Survey Results and 2016 Projections

Since 2012, Harris Allied has conducted an annual Talent Acquisition & Retention Survey for the Information Technology sector. This year, we thank more than 150 participants, whose input provides valuable insight into the strategies and best practices that are crucial for planning and success in the year ahead.

This eReport is comprised of three sections:

- Detailed Survey data and projections for 2016 planning
- Trends and conclusions based on Survey findings
- Additional information and acknowledgements.

The goal of Harris Allied Research is to collect, evaluate and share data that will help inform hiring and retention strategies, and advance the industry. Please watch for more survey reports and whitepapers from our team.

Talent Acquisition & Retention Survey Results and Projections

Survey Participants

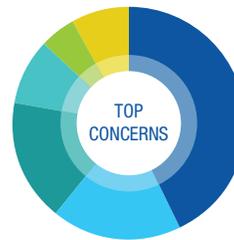
A broad range of technology sector professionals completed this year’s Harris Allied Talent Acquisition & Retention Survey, including: CEOs, CTOs, COOs, CMOs, VPs, Directors, Technical Managers, Team Leads, Data and Test Engineers, Product Creators, UX Designers, Software PMs, Programmers, Architects and Analysts. In addition, we are fortunate to have a balanced representation of large industry leaders and small start-ups. This ensures that our Survey results reflect a valuable mix of perspectives. *For a partial list of participating companies, please see the final page of this eReport.*

We invite you to review the Survey findings, summarized below.

Topic of Greatest Concern

Once again, and by a large margin, respondents identify “Finding and hiring top talent” as their greatest concern. This result is consistent from year to year. Secondary and tertiary issues focus on employee retention and competitive salary/bonus offerings.

■ Finding and hiring top talent	43%
■ Keeping the team I have in place/retention	18%
■ Remaining competitive with salary and bonuses	17%
■ Having to do more work with fewer people	9%
■ Managing my current team	5%
■ Not Applicable	8%



Strategies for Attracting Top Talent

When attracting talent, employers still lead with excellent compensation and benefits packages. We note that bonuses have moved to the bottom of the list, while strategies that focus on corporate culture, interesting projects and flexible work arrangements have gained significant traction. *Strategies are rated on a scale of 1 to 5, with 1 being the least important, and 5 being the most important.*

■ We offer excellent compensation and benefits packages	3.6	
■ We have an amazing corporate culture	3.4	
■ We’re unique in our industry/people have incredible projects	3.3	
■ We offer flexible work arrangements including telecommuting	3.2	
■ Employees receive equity in the company	2.7	
■ We offer relocation to candidates with hard-to-find skill sets	2.6	
■ We offer sign-on bonuses	2.4	
■ We guarantee annual cash bonuses	2.3	

For those who have a plan in place, 78% of respondents project 2016 hiring at minimal, moderate or aggressive levels.

Talent Acquisition & Retention Survey Results and Projections

Strategies for Retaining Top Talent

Last year, the leading retention strategies focused on competitive compensation and career advancement. This year, a corporate culture that offers an attractive work/life balance moves to the top of the list. This finding is consistent with talent acquisition strategies, which shows an increased emphasis on company culture. *Strategies are rated on a scale of 1 to 5, with 1 being the least important, and 5 being the most important.*



The Corporate Culture Advantage

What, specifically, is an exceptional corporate culture? These characteristics consistently rank as the most compelling. *Top five characteristics, ranked in order of importance:*

- #1 We offer an environment that's creative, inspiring and fun
- #2 Our company is an industry leader and very innovative
- #3 Our people have the chance to work on interesting projects
- #4 We offer flexible work hours or opportunities to telecommute
- #5 We provide outstanding professional development opportunities; Our people have opportunities to acquire new skills.

Why Candidates Decline Offers

The most commonly-cited reason for a candidate declining an employment offer is receiving a better compensation package elsewhere. This response dominates the list from year to year. Interestingly, the desire to work in another industry has slipped in importance, while the lure of superior career development opportunities has risen significantly.



Talent Acquisition & Retention Survey Results and Projections

63% of respondents report they're unaware when an employee is being pursued by a competitor. Of those aware, 53% would likely intervene to try and retain them.

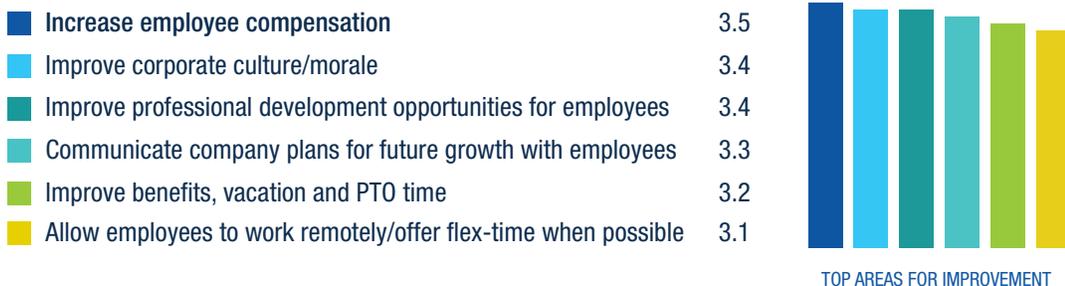
Reasons for Employee Attrition

Having a non-competitive compensation package consistently tops the list of reasons why an employee leaves a company. This financial-driven finding goes hand-in-hand with our Survey results on why a candidate declines an offer. This year, the desire to leave to explore new technologies dipped slightly, while the number of employers who were uncertain of attrition reasons, increased. *Top four reasons, ranked in order of importance:*

#1 We don't pay our people enough or offer competitive packages	27%
#2 People leave for more exciting opportunities /chance to explore hot new technology	21%
#3 I don't know	19%
#4 We are not offering our people opportunities to grow professionally	15%

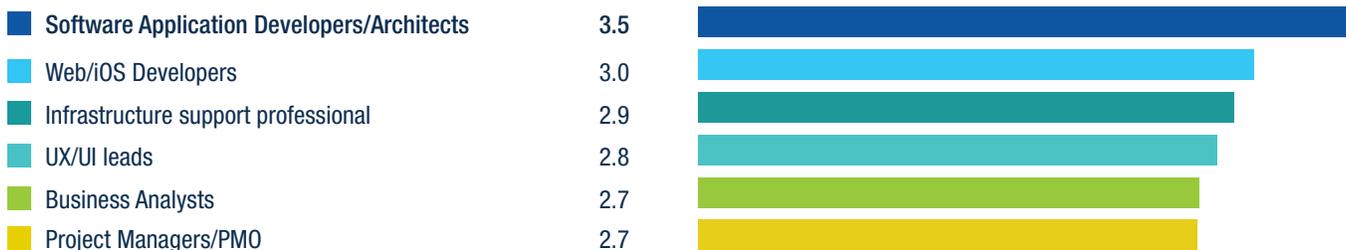
What to Do Better

Survey respondents lead with financial remuneration strategies when asked how they can increase their ability to attract and retain top talent. For the first time, improving corporate culture/morale has ranked higher than the importance of increasing career development opportunities. As well, the value of communicating company plans rose significantly.



High Demand Skill Sets

We see some changes in this year's list of high demand roles. While the top two slots consistently go to Software Developers/Architects and Web/iOS Developers, we see the recruiting of Infrastructure support professionals and UX/UI leads moving ahead of efforts to attract Business Analysts and Project Managers/PMOs.

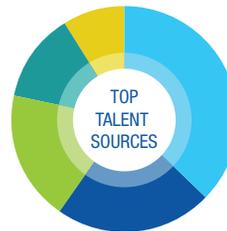


Talent Acquisition & Retention Survey Results and Projections

Where to Find Talent

As in prior years, the primary source for finding top talent is to look within one's own industry. Hiring staff away from competitors has gained ground as a strategy, while promoting talent from within has slipped.

Talent from within my industry	36%
Competitors	24%
Talent from other industries	18%
Recent graduates	13%
Talent from within my own organization	9%



Plans for Growth

As of November 2015, many employers were still developing their hiring plans for 2016. Of the remaining respondents, 78% project hiring at minimal, moderate or aggressive levels.

Aggressive hiring: 15%+ growth	16%
Moderate hiring: 10% – 15% growth	30%
Minimal hiring: less than 10% growth	32%
Don't Know	22%



Trends and Conclusions

- As in the past three years, “Finding and hiring top talent” remains the greatest concern for employers within the Technology sector.
- While excellent compensation packages still top the list of strategies for attracting and retaining employees, the importance of providing an **exceptional corporate culture** has gained ground, bypassing the use of bonuses.
- A lack of **career development opportunities** is an increasingly important factor in why candidates decline an employment offer.
- More effectively **communicating a company's plan for future growth** has become an important strategy for attracting and retaining talent in 2016.
- For the third year in a row, the two **most in-demand skill sets** are Software Developers/Architects and Web/iOS Developers. A rising star: Infrastructure support professionals are a close third on this list.
- Consistent with last year's Survey results, 65% of participants predict their **need for technical consultants** will either increase, or remain the same, in 2016.

Talent Acquisition & Retention Survey Results and Projections

40% of candidates decline an offer for employment because they received a better compensation offer elsewhere.

Additional Information

For four years, Harris Allied has conducted an annual Talent Acquisition & Retention Survey. We are delighted to share these findings with you and welcome the opportunity to discuss our insights in more detail. Please contact us to schedule a personal follow-up discussion.

Acknowledgements

Harris Allied thanks the many companies whose valued participation make this annual Survey a success. We share this eReport with you as a token of our appreciation. *A partial list of participating companies:*

Accenture	Deutsche Bank	Liquidnet	SEC
Actionable Perspectives	DiscoveryOrg	LVMH	Shearman & Sterling
AgencyX	Distillery	Markit	Shoretel
AMC Networks	Dynatrace	Mattel	SourceMedia
Amur Capital Management	Electronifie	MDSL	Starwood
AT&T Mobility	ENSO Financial Analytics	Mediamorph	Stillwater Computing
Bank of America/Merrill Lynch	Facebook	Millenium Partners	Tapad
Bank of NY/Mellon	Fidelity Investments	Mitsubishi	TD Ameritrade
Bed Bath and Beyond	GE Aviation	MSCI	Topps Company
Bell Technologies	Global Maxfin Capital	National Recovery Agency	Touchstorm
Bloomberg	Greenhouse Software	Nearmap	TrueChoice Solutions
Capify	IBM	Nike	Two Sigma
Citco	IndexIQ	Nuance Healthcare	United Nations
Citigroup	Jeffries	Protegrity	Versace
Clarity Software Solutions	JP Morgan Chase	PSL Group	Viacom
Creston Electronics	Kargo	Purdue Pharma	Walleye Trading
Dealertrack Technologies	Kepler Cheuvreux	Schroders Investment Management	Wealthsimple
Deloitte	Kuma Reality Games	Scivantage	

Harris Allied is a premier provider of Executive Search, Technology, UX/UI Design and Quant Analyst placement services to the technology and financial sectors. We partner with clients at a variety of growth stages, from tech start-ups to established industry leaders, including small buy-side firms and global investment banks. Our unique understanding of the technical recruiting process and its nuances ensures that professionals properly brand themselves and prepare for successful interviews, and that hiring managers achieve exceptional results.

Harris Allied Research conducts industry research and shares data that helps our clients develop informed hiring strategies, and efficiently attract and retain top talent.

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