

A LASALLE NETWORK ANNUAL REPORT



25 YEARS OF STAFFING SUCCESS

2024 HIRING TRENDS & CHALLENGES

SMALL - MIDSIZE BUSINESS OUTLOOK



INTRODUCTION

To help business leaders remain competitive in the year ahead, we collected survey responses from more than 350 Finance, Operations and Human Resource executives in October 2023 to identify 2024 hiring plans, as well as current hiring challenges.

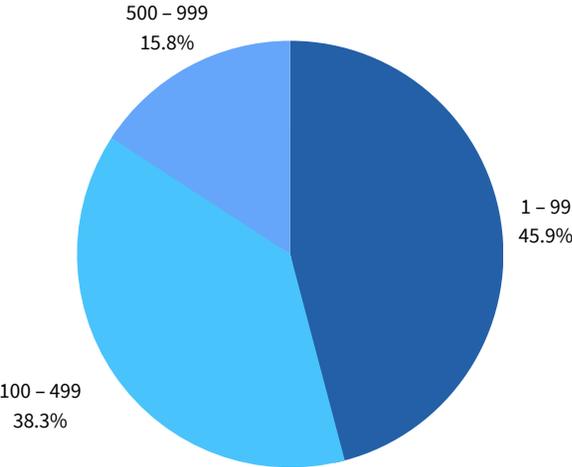
74% of employers surveyed reported plans to add headcount in 2024, targeting key hires in sales, accounting/finance, technology and marketing. This trend is a sign of optimism from business leaders heading into 2024, even as they face challenges such as inflation, rising interest rates and supply chain disruptions.

With eight years of comparison data, we dig into the factors behind this hiring trend, as well as the talent acquisition and retention strategies that will be most effective for business leaders in today's economic environment, based on both historical and current data.

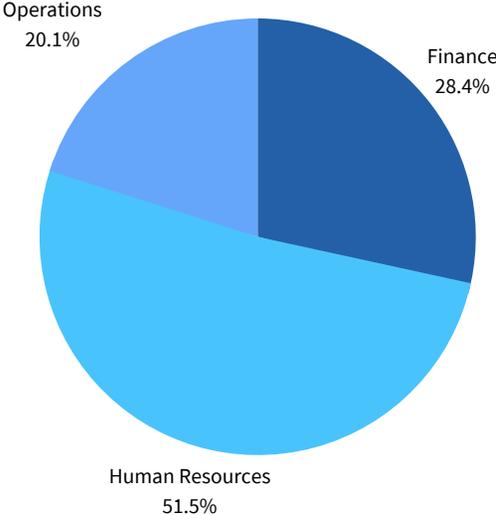
DEMOGRAPHICS

Below represents the demographics of the 350 Finance, Operations and Human Resource executives we surveyed in October 2023.

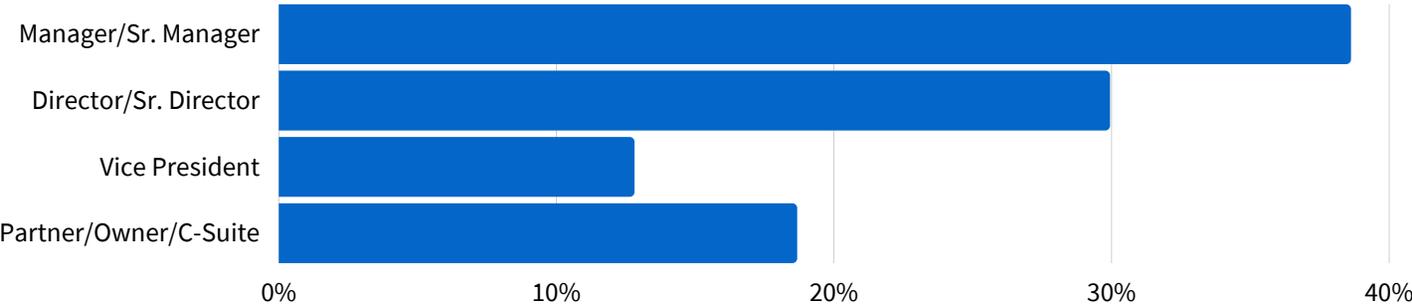
COMPANY SIZE



FUNCTION

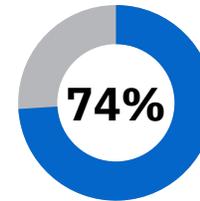
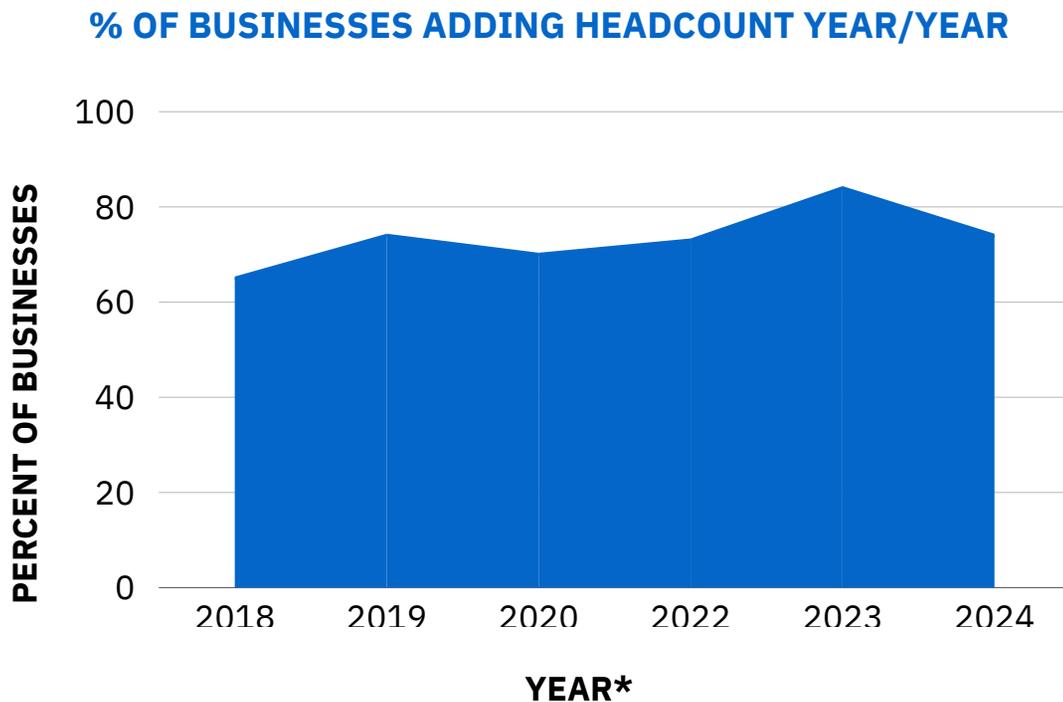


TITLE



2024 HIRING TRENDS

Business leaders display cautious optimism heading into 2024, with 74% of organizations planning to increase headcount, with modest growth of 1-4%. While these increases can be attributed to organizations forecasting an uptick in business and needing to staff accordingly, it's also likely companies are refilling positions after 1/3 of business leaders reported turnover increased in 2023.



of businesses reported they are adding headcount in 2024, 10% less than they noted in 2023

$\frac{1}{4}$

are planning to add headcount minimally with 1-4% headcount growth

$\frac{1}{3}$

of business leaders reported turnover increased in 2023

**Due to the sensitive nature of 2020, we did not conduct this survey that year. For this reason, we do not have data for 2021.*

2024 HIRING TRENDS

HIRING FOCUS

With 74% of businesses increasing headcount in 2024, there are a few key roles leaders are prioritizing across all levels - ranging from entry-level to senior-level staff. These include:



HIRING CHALLENGES

Despite hiring in these key areas, business leaders cite perpetual challenges to hiring top talent. The three main obstacles include:

1. Finding skilled workers
2. Meeting compensation requirements
3. Identifying candidates who fit the culture

While finding skilled workers and meeting compensation requirements have been among the top challenges reported since 2018, this year, identifying candidates who fit the culture climbed back into the top three, the first time since 2019. This can likely be attributed to the increase in organizations returning to the office and a renewed emphasis on creating cohesive teams who can work collaboratively in person.

TALENT ATTRACTION & RETENTION

1. FINDING SKILLED WORKERS

As organizations struggle to identify candidates with the necessary skill sets for particular roles, many business leaders reported developing a more robust training curriculum in 2024.

This investment signals a few things:

- Employers are hiring staff without all the required skills and are choosing to supplement with additional on-the-job training instead of leaving the role vacant for a prolonged period of time
- Many organizations may be upskilling talent to aid in retention efforts, as well as fill voids due to lack of available skilled talent
- The steep adoption of AI in the workplace has caused many businesses to invest in training to get employees up to speed in utilizing these new technologies. **One third of business leaders reported their companies will increase spend in technology in 2024**

Training was one of the top three areas business leaders reported they plan to increase their investment in throughout 2024.

TALENT ATTRACTION & RETENTION

2. COMPENSATION

Compensation has been a top hiring challenge reported by business leaders for the last eight years. In recent years, compensation has become a more pressing issue for a variety of reasons: organizations offering exorbitant salaries when the economy was booming; the pace of inflation and the steep increase in cost of living expenses. This year, business leaders appear mindful of these issues and are investing accordingly.



of business leaders plan to increase wages in 2024

$\frac{1}{2}$

of those increasing wages reported they plan to do so by **3.1-5%**

With the adjustments to compensation, hiring challenges faced in 2023 may be mitigated. Business leaders reported compensation was a main driver for turnover within their organization, as well as the number one reason candidates turned down offers in 2023.

TOTAL REWARDS: BENEFITS INVESTMENTS

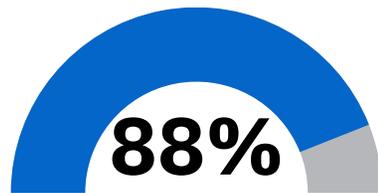
In addition to evaluating compensation benchmarks, business leaders reported they are also thinking holistically about their Total Rewards programs and plan to invest in:

- Increased Paid Time Off (PTO)
- Professional development opportunities
- Parental leave

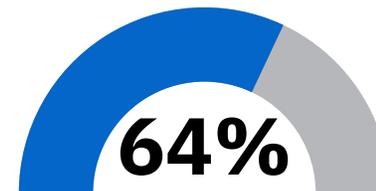
TALENT ATTRACTION & RETENTION

3. CULTURE FIT & THE DECLINE OF REMOTE WORK

Finding candidates who fit the company culture was not a primary focus for employers for the last several years due to the rise of remote work. However, as more and more businesses return to the office, culture fit has become a top concern again. Finding and retaining employees who work well together, contribute positively to the company culture and want to be in the office can be difficult. The majority of business leaders surveyed reported their organizations are prioritizing hybrid schedules and working diligently to bring employees together in person.



reported employees are working onsite or a hybrid schedule



of those working a hybrid schedule report employees work in the office 2-3 times a week

Work model preferences continue to be a source of contention between employees and employers. 2023 saw a mass migration of businesses back to the office, and business leaders reported their organizations will continue to follow suit in the year to come.

HIRING IN 2024

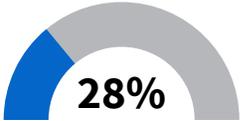
TECHNOLOGY

As organizations attempt to combat the hiring challenges they faced in 2023, as well as work more efficiently, the adoption of AI in hiring is expected to grow. AI took off in popularity in 2023 with the explosion of ChatGPT and other natural-language AI products; however, many companies have been slow to adopt these technologies.

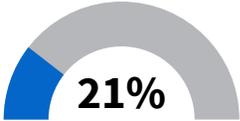


94% of leaders reported they did not implement any new AI tools for hiring in 2023

IN 2024, ONLY:



28% are prioritizing automation of certain roles and responsibilities



21% will be investing in new AI tools

The AI advancements from the last year offer an opportunity to help streamline hiring processes, such as:

- Writing job descriptions
- Advertising open roles
- Screening resumes
- and more

For assistance evaluating your business' potential use case for AI in hiring and beyond, [connect with our team](#).



25 YEARS OF STAFFING SUCCESS

ABOUT LASALLE NETWORK

To help business leaders remain competitive, this report may be used as a benchmark to inform talent acquisition and retention strategies for the year ahead. If you're hiring in 2024, we can help.

LaSalle Network is a national staffing, recruiting and culture firm specializing in both contract and direct hire searches. Each year, LaSalle Network partners with companies across the country to help find top talent and grow their teams. LaSalle's innovative approach to staffing and recruiting is designed to provide companies with quality talent who not only match the job description, but the company culture, as well.

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