ebook

Hired

Difficulty Keeping Your Top Tech Talent?

This Could Be Why (& What to Do About It)

01 Introduction

Navigating the tech hiring landscape today, you're confronted with a paradox. On one hand, the demand for tech talent is at an all-time high, with **77% of employers** reporting difficulty filling roles – a staggering 17-year peak.

Yet, on the other, we're witnessiAng an alarming turnover rate. **The tech sector leads with a turnover rate of 13.2%**. In a recent survey, Hired found 65% of tech workers plan to get a new job in the next year.

Likewise, when asked if the cost of vacancy was a key concern, 63% of tech employers said yes. When asked to rank their worries about recruiting and hiring in the next 12 months, employers ranked retention and turnover rates third, closely behind skill/competency gaps and talent availability.

The perplexing part? Even the global tech giants, revered for their workplace cultures and innovation, grapple with an unsettlingly low median employee tenure, often lasting just one to two years.

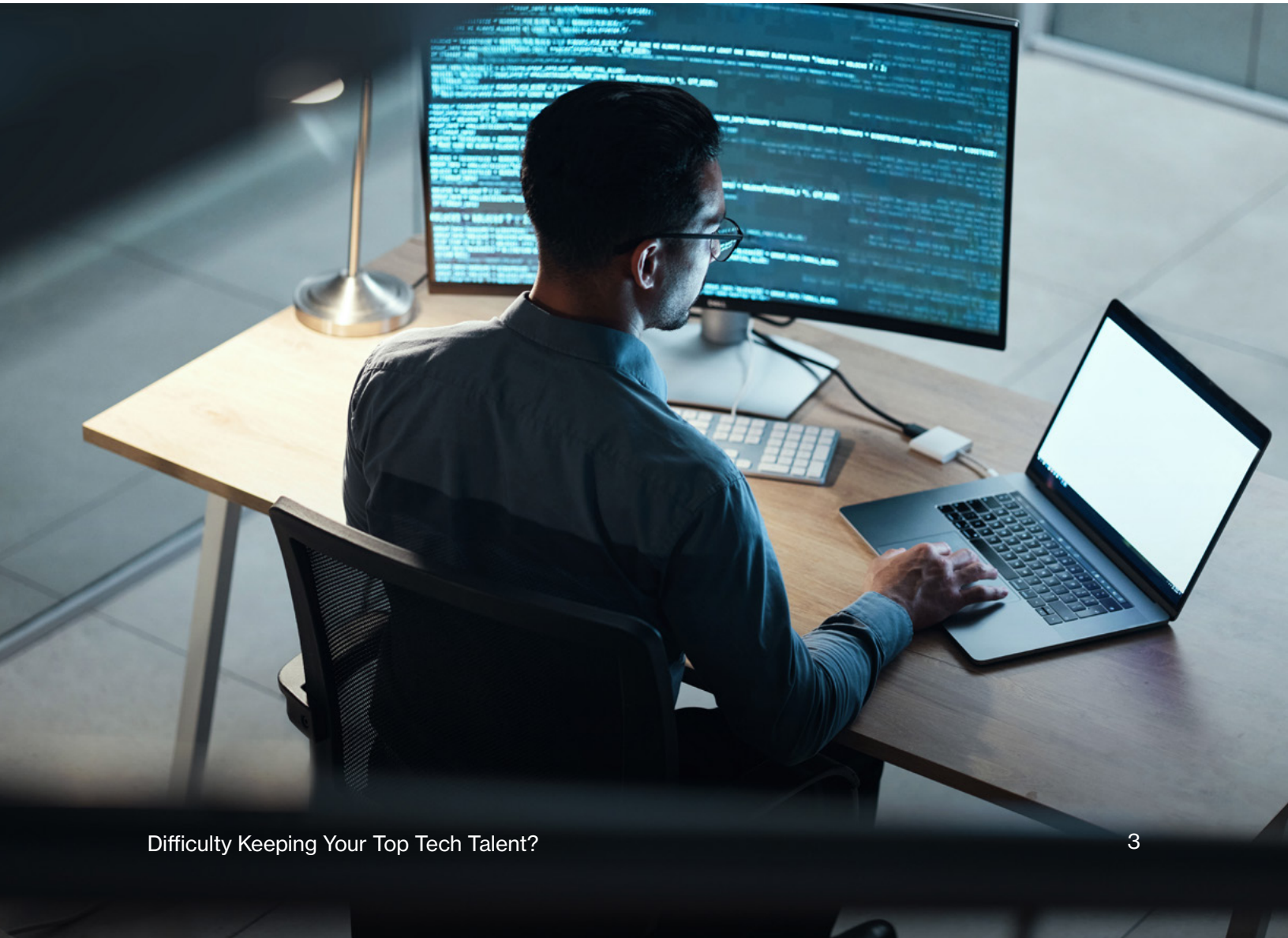
The implications? Beyond the immediate costs associated with recruitment, training, and onboarding, there's a deeper concern – employee satisfaction. **ICONIQ's recent study** shows that 83% of tech professionals part ways due to discontentment with their job roles. The revelation throws a significant question into the spotlight: How can employers preemptively tackle this satisfaction deficit?

The answer isn't found in elaborate perks or inflated titles but in ensuring alignment right from the start. A shift is in order – one that moves away from traditional interviewing to a more holistic, two-way approach.

In this eBook, we'll dissect:

- The real pain points behind the tech industry's retention challenges. Why traditional interviewing might be the Achilles' heel of tech hiring.
- The transformative power of reverse interviews in ensuring job-role satisfaction and longevity.
- Practical insights on executing reverse interviews effectively and addressing the retention conundrum head-on.

Buckle up, and let's dive in.



02 The state of tech

While the tech industry thrives on innovation, it's stumbling when it comes to retaining its top talent, especially from diverse backgrounds. A study from **Wiley Edge** reveals that 64% of businesses grapple with keeping diverse tech professionals on board, even though most believe their **diversity and inclusion** (D&I) strategies are up to the mark. This disparity points towards a more profound disconnect in understanding and action.

Further digging reveals just 25% of companies implement onboarding processes that leverage insights from exit interviews and feedback from past employees – a missed opportunity in preemptively addressing potential pain points.

And there's more: unconscious bias – a silent saboteur. Despite the rise of conversations around diversity, **61% of businesses** haven't adopted neutral job descriptions. And only 40% consider anti-bias training imperative for their managers. These figures paint a concerning picture of gaps that need urgent bridging.

Why retention matters

The revolving door of talent in tech is an expensive challenge. Each time a role turns vacant, the clock starts ticking on the time and funds spent in the exhaustive recruiting, hiring, and training cycle. And it's not just about the here and now.

By 2030, the US will stand on the precipice of a potential loss of **$430 billion,** all attributed to talent attrition. For businesses, this isn't just about numbers – it's about sustainability, growth, and staying competitive in an ever-evolving industry.

Challenges with hiring & keeping top talent

Let's lay it out straight: Tech giants are not exempt from the retention riddle. Data shows that even revered tech giants like Google see an **average employee tenure** of a mere 1.1 years. It's 1.8 at Uber and a slightly better 2.1 at Dropbox.

It's no secret tech talent is heavily recruited away from high-profile employers like this. FAANG, MAANG, or now MAMMA, experience is often enticing to talent acquisition teams looking for candidates. Some would argue it's the nature of Silicon Valley careers to move more often, based on projects, initiatives, and opportunities to accelerate the pace of total compensation growth. But why this exodus? According to data:

- **Job role dissatisfaction:** 83% of tech professionals hang up their hats due to misalignment with their roles.
- **Stunted professional growth:** 78% feel confined, citing dissatisfaction with career progression and professional development opportunities.

- **Compensation concerns:** Money talks, and for 75%, their salaries or compensation packages aren't conversing loudly enough.
- **Burnout:** 73% bow out due to sheer burnout, shedding light on the pressing need for better work-life balance and mental well-being initiatives in the tech workspace.

Talent retention is about more than keeping seats filled. It's about understanding, empathy, and adaptability. It's about reimagining processes and continually evolving to match the aspirations and needs of a diverse, dynamic workforce. And, as we'll explore further, perhaps the answer lies in turning the interview table around.



03 Close & retain your top talent

In the dynamic tech hiring landscape, **acquiring talent** isn't the endgame. The real challenge? Keeping them. While there isn't a one-size-fits-all solution to prevent departures, effective communication is a key strategy that can make a significant difference.

Open and meaningful communication helps seal the deal with potential hires and nurtures existing talent, ensuring they remain engaged and committed. When employees and candidates feel genuinely heard and aligned with the company's direction, they're more likely to stay on board.

Communication is the cornerstone of any thriving relationship, whether personal or professional. When employees feel heard and understood, they are more likely to be invested in their roles and the company's mission. Within this framework, **tools like reverse interviews and stay interviews emerge as invaluable assets**, pinpointing concerns and aspirations and fortifying the bond between talent and the organization.



04 The 411 on reverse interviews

While a traditional interview places candidates in the spotlight, a reverse interview turns the tables. Here, candidates or even current employees can ask questions, diving deep into the aspects of the company, culture, and role that matter most to them.

This is a more formal part of the interview process, not a quick “Do you have any questions for me,” in the last five minutes. Interviewers need to offer time during each interview or stage for questions, but a reverse interview is planned. It signifies the importance of a good match for both parties.

When should you use it?

Reverse interviews are ideal in a final round or post-offer but pre-acceptance. It's a time when candidates consider their options and need deeper insights to make an informed decision.

Why should you use it?

This approach empowers candidates, ensuring they comprehensively understand their prospective role and the company. It’s a tool to ensure fit and boost commitment, as employees feel more invested when they know exactly what they’re walking into. Besides, it allows everyone to focus on the long-term aspects of job satisfaction and employee loyalty, instead of dollar signs and benefit packages.

Viet Nguyen, former Head of Technical Recruiting at One Medical, now in TA Operations at Netflix, shares:

> We do something interesting called a reverse interview. After giving candidates a thumbs up, we offer them an opportunity to come back and **really** interview us. They're in a position of strength, able to ask any question they want. Some even request to sit in on planning meetings to witness disagreements and understand our conflict resolution. Not everyone takes us up on this offer, but those who do usually join. They appreciate the transparency and clarity they receive about our work environment.

How to implement the reverse interview

- **Set the stage:** Make candidates aware that once they clear the interview rounds, they'll have an opportunity for a reverse interview. Note: this shouldn't deter interviewers from including time in earlier rounds for the traditional "Do you have any questions for me?" The reverse interview is simply more structured and offers opportunities to probe deeper. Early rounds are screening in both directions. It makes sense for first rounds to offer this time informally.
- **Create a panel:** Like Viet Nguyen's approach while at One Medical, lay out a panel of individuals ranging from senior leadership to potential colleagues.
- **Empower the candidates:** Encourage them to ask any and every question, whether it's about company finances, DEI stats, or even specific team dynamics.

Examples of reverse interview questions candidates might ask

- How does the company handle disagreements or conflicts?
- What are the company's goals for the next five years?
- How does the company support continuous learning and professional development?

Continuous learning and developing skills are strong motivators for tech talent. Hired survey data has repeatedly validated this, with technical certification courses as the most appealing option. Travel to conferences and mentorship programs followed second and third, respectively.

For more insights, check out **The Tech Hiring Tightrope: Balancing the Skills & Shifts in Talent.**

For sample questions and more, download this Reverse Interview Preparedness Checklist

05 Revolutionizing recruitment

Securing top tech talent demands a deeper understanding and a more agile approach. Here's how **Liz Kamel from Flatiron Health** tackles recruitment challenges and uses the reverse interview:

- **Understanding motivations early:** Before even thinking about an offer, Liz dives into what candidates genuinely seek in their next role. Addressing these desires head-on can be the key to sealing the deal.
- **Prioritizing transparency:** If a role isn't the right fit, be upfront about it. This not only ensures a match but also prevents potential turnover later.
- **Embracing reverse interviews:** Flatiron Health's reverse interviews empower candidates to take the lead and alleviate post-offer doubts. Giving candidates this clarity can be the difference between a declined offer and a successful hire.
- **Flexibility in the process:** Adapting the interview format, like breaking up long sessions, can provide a more candidate-friendly experience.

06 The power of stay interviews

When an employee departs, companies often scramble to understand the "why" behind the decision via an exit interview. While this post-departure reflection can offer insights, it's reactive rather than proactive. Enter the "stay interview" – a proactive approach to understand, engage, and retain your existing talent.

What is a stay interview?

Contrary to exit interviews focusing on why an employee decided to leave, stay interviews spotlight why they chose to stay. It's a candid, one-on-one discussion between a manager and an employee to understand their perspective on the organization, the role, and their experience.

Why are stay interviews essential?

- **Continuous onboarding:** Recognize that onboarding is not a finite process but an ongoing one that could span up to a year. This recognition ensures new hires continuously feel oriented, valued, and supported.
- **Feedback loop:** It provides a real-time feedback mechanism. Instead of waiting for an employee to leave to gather insights, managers get a pulse of what's working and what's not while there's still time to act.
- **Building relationships:** This simple gesture can reinforce trust and loyalty, making employees feel valued and understood.

Crafting an effective stay interview

Here's the mantra – keep it short, sweet, and casual. A 30-minute chat over coffee or lunch can offer more genuine insights than a formal office setting. The idea is to foster an environment where the employee feels comfortable sharing.

Consider questions such as:

- Which aspects of your role do you find most fulfilling?
- Are there areas where you feel you're not deriving value?
- Did any onboarding processes feel ambiguous or confusing?
- On a scale of 1–10, how equipped do you feel to tackle challenges in your current role?

Understanding their experience during the initial months can help iterate onboarding processes for future hires. Acknowledging most individuals take over a year to fully acclimatize to a new role can guide resource allocation. The goal? To ensure they have the support and tools they need throughout their journey, not just in the beginning.

Let technology help you

This doesn't have to be a manual process. Innovative technology can significantly boost your organization's overall communication, a key driver in employee retention. As a **Harvard Business Review article** highlights, these tools don't just streamline processes. They empower employees by providing clearer direction, deeper insights, and improved governance. The result? Employees who enjoy more autonomy, which leads to enhanced satisfaction and productivity in the long run.

Some of these tools include:

- **Employee feedback systems:** Collect real-time feedback with sentiment analysis for proactive engagement.
- **Communication tools:** Use platforms like Slack for immediate, transparent dialogue.
- **Project management software:** Provide clarity on roles and progress with tools like Asana.
- **Performance management systems:** Align stay interviews with performance data for relevant conversations.
- **HR information systems:** Use employee data to inform retention strategies and personalize stay interviews.
- **Learning management systems**: Offer development opportunities discussed in stay interviews to promote growth.
- **Data analytics tools:** Predict trends and tailor retention strategies with actionable insights.

By embedding communication at the core of your strategies, whether through stay interviews or leveraging tech, you're doing more than retaining talent – you're nurturing and empowering them. Your greatest asset isn't your product or service – it's your people.

07 Secure a brighter hiring future

The tech landscape demands action, empowerment, and inclusivity. With the competition for top talent intensifying, strategies including reverse and stay interviews become essential. They provide clarity and alignment between employers and candidates, ensuring long-term satisfaction on both sides.

Many employers value the long-term happiness of their employees and specifically seek candidates who want a career (vs. a job) and align with their mission and values.

> What a company does [has become] increasingly important to engineers. They can take their talents to just about any type of industry. We're hearing the mission, and what the company does, really matters.
>
> So for us, it means concentrating on finding those missionaries, not mercenaries, who simply want to maximize earning potential.
>
> **John Beard, Senior Director, Corporate & Technical Talent Acquisition, One Medical.**

By turning the traditional interview process on its head and embracing the power of open communication, businesses can hire the right talent and retain and nurture it.

Laura McDermott, Head of Talent for Logikcull, a Reveal technology, puts it this way:

> We want people who are looking to grow. We want people who really want to be able to make an impact.

Read the full success story about how Logikcull works smarter and culls the noise to find engaged tech talent.



Now, it's time to put these insights into action.

Hired's suite of solutions offers direct, effective tools tailored for today's tech hiring challenges in DEI, employer branding, enterprise scaling, and more. Implement these strategies, use our resources, and witness the transformative results.

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