

# The Rules of Today's Marketplace and How They Impact Employers

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While you might not realize it, there are **rules** that govern the employment marketplace. These are not formal rules, per se, but they are practical ones.

The biggest problem with these rules is that they are not universally recognized, especially by employers. Employers' failure to recognize these rules (and their ramifications) can greatly inhibit their ability to hire the candidates they want to hire. In this article, I want to address not only what these rules are, but also what can be done to follow them so that an employer can strategically enhance its hiring process.

## Setting the stage for what's happening

The **economy** plays a central role in dictating the rules that govern the employment marketplace. This should not come as a surprise. The health (or lack thereof) of the U.S. economy determines the parameters within which employers, employees, and job seekers operate. In essence, there are **two types** of economies:

1. A recessionary economy
2. A recovering economy

Let's use **The Great Recession** as an example. As you might imagine, The Great Recession exemplifies a recessionary, or down economy. There are marketplace rules that accompany a recessionary economy, and they can be summed up as follows:

- Job openings are scarce.
- Job seekers have fewer options from which to choose.
- Employers have more options from which to choose in terms of candidates.
- Employers have less difficulty keeping candidates engaged during the hiring process.
- It's easier for employers to close candidates and hire successfully.

More than likely, all of that makes sense. However, we are not currently in a recessionary economy. One look at the Stock Market will tell you that. What we are presently experiencing is called a **recovering economy**. The economy is still recovering from The Great Recession, and lately, it's been recovering quite nicely. There are marketplace rules that accompany a recovering economy, and they can be summed up as follows:

- Job openings are plentiful.
- Job seekers have more options from which to choose.
- Employers have more difficulty finding or identifying the best candidates.
- Employers have more difficulty keeping candidates engaged during the hiring process.
- Employers have more difficulty closing candidates and successfully hiring them.

There is also a sub-rule, or a corollary, that applies to a recovering economy. It's called the **corollary of the candidates' market**, and this is what it states: the longer a recovering economy lasts, the more likely it is that the market will become a candidates' market. What is a candidates' market and what does it mean? Simply put, in this type of market, not only do all job seekers and candidates have more options, but the very best candidates have the *most options*.

Candidates have numerous options right now, and the best candidates have the most options. These are realities of the marketplace with which employers must come to grips if they hope to hire well and do so consistently.

## **A proactive approach to hiring**

When employers come to grips with these realities, there is something they can do to improve their hiring process and their rate of success. The first step is to make the decision to be **proactive** in their approach. A reactive approach wherein they "let candidates" come to them is not going to generate optimal results. That's because with that approach, you're only sourcing candidates who are *actively looking* for a job.

The problem with that is the best candidates in the marketplace are not actively looking for a job. So a reactive approach to hiring is not going to uncover those candidates. No, a proactive approach is necessary to identify top talent. Then, when those candidates are successfully identified, employers must engage them and convince the candidates that their opportunity is better than the job they currently have. As you can see, just getting top talent into the hiring process requires a certain level of time, energy, and effort.

And once employers get these candidates into the process, the real work begins. That's because they must "sell" to the candidates, and they must do so in the following **three ways**:

1. **"Sell" the opportunity**—Remember that top candidates have the most options. As an employer, you must convince them that your opportunity is the best option for their career.
2. **"Sell" the organization**—A job is about more than just the job. It's also about the organization and the people with whom the candidate will be working. Company culture is a huge consideration for candidates in this day and age.
3. **Make a compelling offer**—This is not the time to come up short. A top candidate equals a top offer. If you make a substandard offer to a top candidate, that candidate will more than likely reject it. And such a scenario can create a whole new set of problems.

As you can see, the current rules that govern the employment marketplace have made it **more difficult** to both identify and hire top talent. Failure to recognize these rules can have disastrous consequences for companies that are attempting to fill important positions to meet critical needs within their organization.

Right now, all candidates have **more options**, and the best candidates have the **most options**. This should be something that everybody associated with the hiring process should understand, and it should also be one of the key catalysts and driving forces behind an organization's attempts to hire in this current economic environment.