

Internal mobility ‘magic ingredient’ for staff retention: LinkedIn

APPOINTMENTS

Financial service employees offered a promotion or opportunity are much more likely to stay at the firm, survey finds.

By [Keeli Cambourne](#) • 14 November 2022 • 4 minute read

Internal mobility is key to retaining staff in financial services, according to the latest LinkedIn *Global Talent Trend* report.

Employees who were promoted or given another opportunity were more likely to stay at their company longer than those who remained in the same role, the October survey found.

Two years after an internal move there was a 76 per cent chance the employee was still at their company against a 50 per cent likelihood for a staffer who had stayed in the same role. The differences widen after three years, at 65 per cent versus 38 per cent.

Of the 15 industries LinkedIn analysed, financial services companies saw the biggest improvement in employee retention among internal movers at the three-year mark while retail companies had the least likelihood of retention even with employees who had moved internally.

LinkedIn said hiring activity started to slow down after the post-pandemic recovery in 2022, in line with the slower pace of economic growth in major economies.

In Australia, there had been a 14 per cent decrease in the hiring rate since September 2021.

“Amidst the uncertain global economic climate, it is likely that the hiring rate will continue to decelerate from the historical highs of last year,” the report said.

LinkedIn found the labour market in the Asia-Pacific region remained tight, with many countries reporting low unemployment rates, and throughout 2023 competition for talent with in-demand skills would remain fierce.

LinkedIn head economist APAC [Pei Ying Chua](#) said among the eight countries in LinkedIn’s Workforce Confidence Index survey, confidence among candidates and employees in their ability to improve their financial situation in the next six months had decreased or remained low.

Flexibility was one of the most important criteria for Australian employees, with a rise of 10 per cent in the index since August 2021.

The report found that flexibility and compensation pulled away as clear leaders in job criteria, with a margin of more than 5 per cent over job security in third and work-life balance fourth.

Candidates in Australia also increasingly wanted remote work just as employers scaled back on remote job postings.

In Australia, remote job postings on LinkedIn had dropped slightly since September 2021 while applications to remote jobs increased by 3 per cent in the same period.

Remote job posts in Australia reached an all-time high in April 2022 at 10.6 per cent of the total and attracted a peak of 13.3 per cent of all applications.