Finding the Needle in the Haystack: The Challenge of Recruiting and Retaining Sharp Employees
By Shelley Langan

Today’s employers, both public and private, are facing a crisis never before experienced in most managers’ and supervisors’ careers. This crisis is having a direct impact on the ability of organizations to meet the ever-growing demand for their products and services. What makes this crisis so unique is that it does not involve traditional hard cost issues. The crisis that is hardest hitting businesses today, across the board, is recruiting and retaining qualified employees. In a survey conducted by Rewards Plus of America, 52% of employers cited recruitment and retention as the number one employment issue they are facing today. Fueling this crisis are two rather diverse issues:

unemployment rates around the country on average are experiencing 30-year lows and potential employees are no longer lured to employers simply on the basis of salaries or traditional benefits packages. The national unemployment rate is currently hovering around 3.9 percent, and Sacramento’s unemployment rate is at an equally low 4 percent. What this means for employers is that there are fewer individuals available in the labor market to fill vacant positions. Recruitment efforts, which have traditionally focused on enticing individuals to accept available jobs, now have to first focus on finding interested individuals to entice.

The second issue affecting the current recruitment and retention dilemma for employers involves the needs and desires of today’s labor force. According to the Bureau of National Affairs, the median time that employee’s stay in a single job is 4 years. Gone are the days of coveted employer-employee loyalty. Business demands and competition have forced employers to find different ways of conducting business and have resulted in reduced job security, layoffs, and work force reorganizations to maintain a competitive edge.

Employees are also more interested than ever in finding ways to balance work and home life. The idea of job security is no longer of top concern to most employees and applicants. The traditional Monday through Friday, 8 to 5 job has also been impacted by changes in how organizations operate and succeed and how employees cope with working and managing their personal lives. The demographics of today’s work force and the types of jobs offered have evolved to a point that traditional recruitment and retention strategies have lost much of their effectiveness. Approximately 30 percent of American workers are in non-standard work arrangements (e.g., part-time jobs, temporary jobs, on-call jobs, working as independent contractors, or contract employees). Further, many of the employees working in these non-standard work arrangements desire this type of work arrangement. Additionally, about 20 percent of America’s work force works schedules other than traditional 9-to-5 schedules (e.g., evening and late-
night shifts, early morning shifts), and 15 percent of this “shift” work force is comprised of managers and professionals. In many businesses, all levels of positions have seen a shift in terms of work arrangement and/or schedule requirements. These shifts have allowed businesses to remain competitive and have, in turn, provided employees with options for employment that allow them to better balance work demands with personal life demands on a more individual basis. It is not uncommon these days for employees who are doing similar jobs to work different work schedules or even be employed as different types of employees (e.g., permanent full-time vs. part-time or temporary), all the while working toward the same business-oriented goals and expectations.

Another factor affecting how successful organizations can be in their recruitment efforts is the fact that employees now, in this job vacancy-rich economy, have the ability to seek employment with organizations whose values more closely fit their own personal values. Thus, organizations that offer a work environment and salary and benefits packages that are closely tied to the needs and wants of potential applicants are far more successful in their recruitment efforts than organizations that have not fully recognized what applicants desire today. According to studies by Towers Perrin and the National Association of Colleges and Employers (NACE), the desires of top performers (that is, those individuals who have the potential to be the best-performing, most successful employees in an organization) today include:

• Challenges
• Change on the job
• Opportunities for growth with the employer
• A rewards system (e.g., salary increases, bonuses) based on performance
• Autonomy to complete work assignments.

These same studies identified what top performers do not want in their jobs. The most unattractive employment attributes for these top performers include:

• Rules
• Regulations
• Policy manuals
• Long meetings
• Job descriptions and duty statements.

To understand why the above attributes are so unattractive to top performers, one has to recognize the values that top performers bring to an organization. Top performers by the very nature of who they are and the skill set they possess are those employees who want to be allowed to use their expertise on the job and then be held accountable to their performance. Top performers want work to be fun in the sense that as highly skilled employees working in jobs that appeal to them, they find enjoyment in being able to utilize their skills and expertise. Top performers have very high expectations for themselves and for the people with
whom and for whom they work. In attempting to recruit these top performers, employers have to recognize what applicants are looking for in terms of job opportunities from the work itself to the salary and benefits offered, right down to the work environment. The employer’s image looms large in any recruitment effort. How the employer is perceived in terms of its work environment and the employment opportunities it offers will have a direct impact on the success of its recruitment efforts. Recruitment strategies need to focus on the message — how an employer goes about recruiting is just as important as what the employer is offering in terms of employment opportunities. Additionally, employers need to identify not only who the potential applicants are for their jobs, but they must also identify what these potential applicants desire in terms of job opportunities, salaries, benefits, and work environments. There is a direct link between what employment opportunities an employer offers and the kind of applicants and employees that employer will then have. Employers who seek top performers must be prepared to meet the needs of this group; those employers not willing to accommodate the needs of the top performers will be forced to select from those who are left in the labor pool. The second key component of the crisis affecting many employers today is the retention of employees once hired. In this age of high applicant demand, those employers successful in their recruitment efforts have to immediately concentrate on retaining those newly hired employees.

To address the issue of retention, many employers are opting for new incentive systems. Employers are finding that by combining traditional salary and benefit packages with other highly desirable “benefits of employment,” they are able to both attract and retain quality candidates. Employers are offering what have been traditionally viewed as management perks to rank-and-file employees. These perks are focused on quality of life issues faced by today’s work force and include such offerings as flexible or shortened work schedules, educational reimbursement, elder care benefits, and a host of employee conveniences.

In some employment settings, employees are offered such conveniences as on-premise laundry and dry cleaning services, vehicle maintenance services, and on-site or nearby fitness centers. What most employers are finding is that these additional work-life benefits, so sought after by employees, are typically of little or no cost to the employer. However, these “perks” provide employees with life-enriching options that can simplify the pressures faced by today’s working families. To be competitive in attracting and retaining the limited number of available today, employers must understand the issues they face and work to solve them. Without a clear understanding of the obstacles, employers will find it increasingly difficult to recruit and retain a qualified work force.
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