

The economic landscape for businesses, large and small, has been volatile to say the least over the past several years. What has resulted is a “new normal” for companies and placing greater dependency on a financially flexible and productive workforce. The bottom line is how well an organization manages its talent and its ability to recruit and retain highly skilled workers will factor heavily in their success.

AccuStaff recently conducted a survey of 459 HR decision-makers nationwide to uncover key issues and challenges when it comes to the recruitment and retention of workers in 2013. The findings shed light on potential roadblocks and relevant solutions to help organizations maximize their talent acquisition and retention.

#### **Recruitment of Highly Skilled Talent in 2013**

As the country’s employment situation continues to steadily but slowly improve, businesses are once again making investments in new hires and adding back talent to their streamlined workforces. According to the AccuStaff Recruitment Reality Survey, in 2013 one-third of companies plan to increase their workforce and another 63 percent say they plan to maintain their current number of workers.

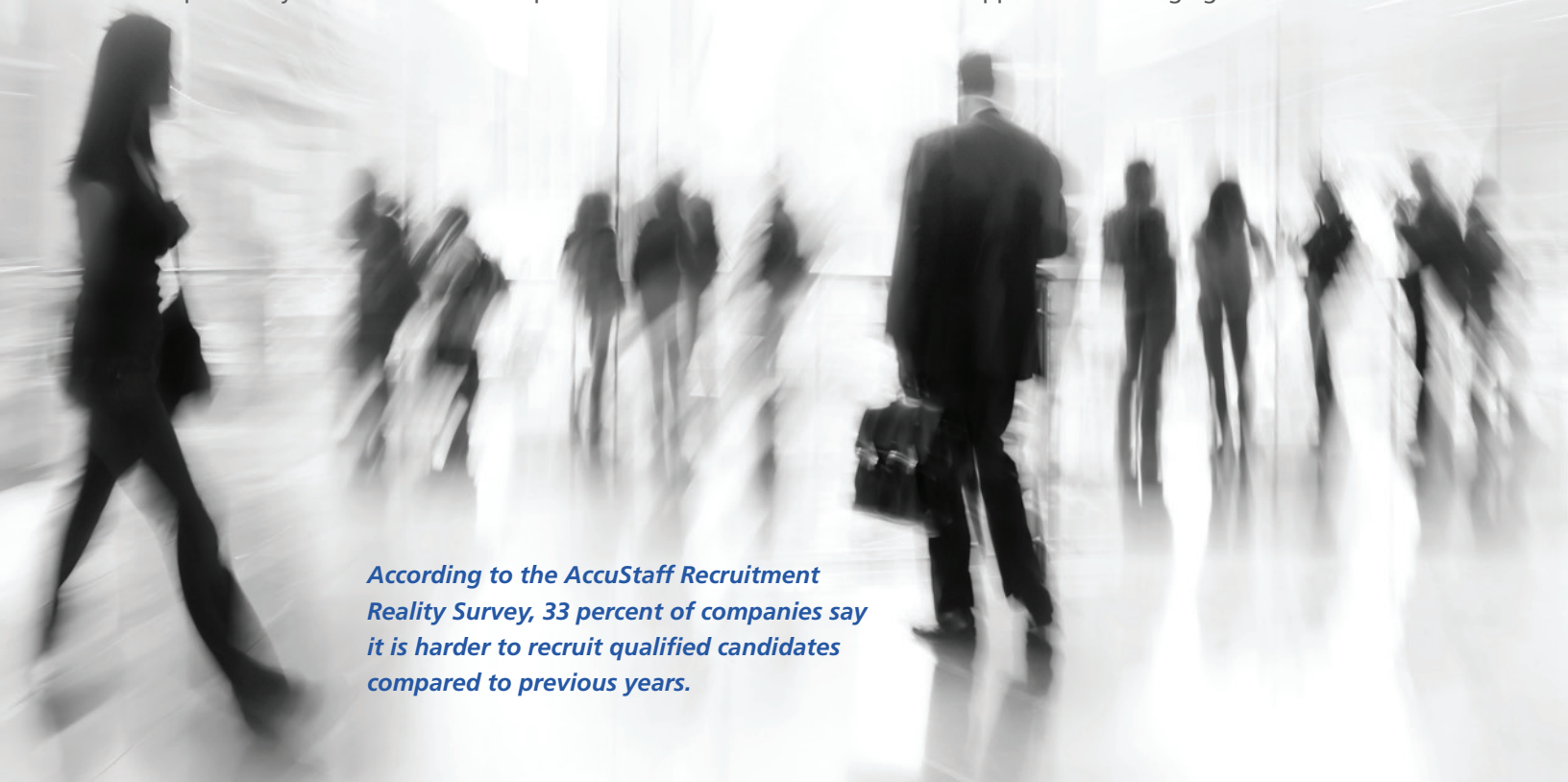
However, despite intentions to hire much-needed talent, many organizations will continue to face difficulties in actually recruiting such talent. In fact, 33 percent of companies say it is harder to recruit qualified candidates

compared to previous years, according to the survey. Even beyond the attempt to target and attract sought-after talent, many candidates are returning to the driver’s seat and scrutinizing potential job offers. The AccuStaff survey found that 14 percent of organizations have noticed an increase in the number of candidates refusing job offers compared to previous years.

Two broad evolutions within the labor market are impacting the recruitment of talent in 2013. First is the shortage of qualified talent for many specialized, professional functions. By 2020, it is estimated that U.S. employers will require college-educated workers for 36 percent of all jobs, up sharply from today’s 24 percent. The U.S. is projected to have a gap of three percent, or 1.5 million too few workers with college or graduate degrees in 2020, according to MGI.

Secondly, a growing cohort of workers are choosing temporary or contract employment on the heels of the recession to satisfy their need for flexibility or greater control over their career. Today, there are more than 2.5 million workers in temporary positions, a number that has steadily grown since 2009, according to the American Staffing Association.

As a result of a shortage of qualified talent on the open market, and the rise of a free-agent mentality, utilizing a contingent workforce is no longer a stop-gap for companies but a sustained approach to managing their talent.

A blurred, black and white photograph of a busy office hallway with many people walking in various directions, creating a sense of motion and activity.

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In fact, labor law firm Littler Mendelson predicts that contingent labor could eventually comprise up to 50 percent of the U.S. workforce. Working with staffing partners to source and recruit talent locally and nationally helps to tackle the important realm of talent recruitment, while infusing flexibility into a company's labor costs and expenses.

### **Once Hired, The Hard Part Begins ...**

Oftentimes, the most difficult part of the employment life cycle falls within the area of retention. According to AccuStaff survey findings, 18 percent of companies say internal employee turnover has increased compared to previous years, while another 61 percent say it has remained the same. Furthermore, nearly one-third (32 percent) say between 11-30 percent of their workforce will leave within the next year.

One critical issue for companies today is the tendency to scale back retention efforts during economic downturns when talent supply appears abundant. However, history has shown that the actions companies take today in retaining their talent, or lack thereof, will have a long-lasting, potentially devastating impact down the road.

Smart organizations have rejected the notion that retention and cost containment is an either-or option, and instead have acknowledged the necessity to embark on both. So, what can companies do today to help curb potential retention failure in the short- and long-term? The answer is two-fold: Pay particular attention to retaining your star performers and realign workplace initiatives to more closely mirror worker priorities.

Based on AccuStaff research and expertise, there are five fundamental initiatives that will help organizations build long-term employee relationships. They include:

- 1. Growth opportunities.** Believe it or not, most workers have an inherent desire to grow and improve their skills. They want career growth and opportunities to expand their knowledge and responsibilities. And, many will look elsewhere if their current employer isn't delivering.

- 2. Work/life balance.** Today's workers are taking on more work than ever before. As organizations streamline staff, existing workers shoulder much of the fallout. Given the ability to telecommute, work flexible hours or even job share, workers are demanding these types of arrangements to help balance their work and home lives.

- 3. Belief in company's mission.** When employees understand the vision and mission of the organization, and particularly how their role specifically supports those objectives, they are much more engaged and loyal to an organization. Feeling respected and important goes a long way in building worker commitment.

- 4. Make work fun.** With the recent macroeconomic situation, there is plenty of gloom and doom to go around. The work environment shouldn't have to mirror life's stresses. Make work fun again by engaging workers with humor, start a contest via social media, institute company fun runs or happy hours. Bottom line, help workers let off some steam.

- 5. Reward them.** Recognizing workers' achievements, small or large, can provide encouragement and a desire to continue working hard for the organization. Everyone likes to feel valued. Rewards don't need to be in the form of monetary compensation. Emotional rewards such as recognition in front of others or the company, lunch with the boss, etc. are all impactful.

The logo for AccuStaff, featuring the word "AccuStaff" in a bold, blue, sans-serif font. The letter "A" is stylized with a white outline and a small white figure inside, resembling a person or a stylized letter. A registered trademark symbol (®) is located at the end of the word.

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With AccuStaff research indicating 56 percent of companies are more worried about a talent shortage today than they were one year ago, the need to carefully identify talent needs and effectively hire the best qualified talent cannot be underestimated. Furthermore, to avoid costly talent migrations employers must realize that retention is a highly effective way to manage recruitment costs, protect critical business assets and keep turnover expenses down, no matter the highs or lows of the economy.