



5 Tips to Weather Employment Trends in 2006

I recently attended Upsize Magazine's Lifeline Awards program to celebrate with award recipient, Jean Hanson, who also happens to be my Virtual Assistant. During the event, there was a dynamic panel program featuring Kirk Hoagland (technology expert), Elin Raymond (marketing & communication expert), Richard Hoyt (economics expert), and Loren Viere (accounting, tax & operations expert). While they talked about numerous trends, the one that I keyed in on was regarding the current hiring pool.

If you are trying to sell a home, then you probably already know that regarding the housing market, it is a buyer's market. The same holds true for companies that have positions available - dare I say for sale? -- because with regards to the employment market, it is an employee's market. Why? Because there are fewer experienced employees than are looking for the positions available. It's all about supply and demand.

What does that mean for your company? You will be spending more time and money for recruiting for open positions, particularly those requiring more experience. And, this phenomenon will probably continue well into the next decade as more experienced Baby Boomers begin to retire. Keep in mind, as you bring on newer, less experienced employees, this will most likely translate into additional training expenditures too.

But don't get too caught up on focusing only on the external employees that you will be targeting for hire. There are cost implications for your company from an internal perspective as well. Forward thinking companies will recognize that they will need to spend additional monies on employee retention.

Can't afford to? Better think again. According to the Society of Human Resource Managers (SHRM), it costs a company on average 3 to 5 times an employee's salary to replace them. Do the math. If you can retain two employees with an average salary of \$50,000 each, that would result in a cost savings to your company of between \$300,000 to \$500,000. My suggestion is to carve out some of those savings and put them towards employee retention programs.

Let's get back to our Panel Experts. In addition to trends, they also identified five key focus areas to target with regards to marketing to attract customers. I believe that you can use these same strategies and employ different tactics to solve your employee retention and hiring challenges.

Five Key Focus Areas

1. **More One-On-One Marketing and Less Mass Market Strategies.** This includes email, newsletter, and event promotion. Ask yourself, what are we doing today in this area to either attract or retain employees? What other things could we be doing? What can we do less of or get rid of altogether?

2. **More Public Relations versus Advertising.** PR is one of the most cost-effective ways to attract and retain employees. Evaluate your PR strategies. Don't have one? Then consider hiring an expert consultant to assist you.
3. **Interactive Website versus Passive Website.** Most companies have focused on creating interactive tools for customers. Consider creating interactive tools for current and prospective employees to engage with your company. Remember, the more engaged they feel the less likely they are to leave.
4. **Increased Online Marketing.** This includes advertisements, blogs, podcasts, webinars/webcasts and other online marketing tools. Just as you use these to target customers, you should be exploring ways to use these same mediums to attract and retain employees.
5. **Analysis and Measurement.** New tools require new measures to determine success. Examples include Google analytics and web metrics. Want to know how successful your retention and hiring initiatives are? Then you will need to develop new measures.

Most of my clients continue to tell me that they are required to do more with less, and that includes fewer employees. This comes at a time when 46% of workers say they feel they're putting too much energy into work and too little time into "other things in life that really matter" and at a time when 28% of workers say they'd agree to take a pay cut to get more time off. (Source: Yankelovich.)

The challenges you and your company face are real and they are not likely to go away anytime soon. You have a choice. Do nothing or select one (or several) of the strategies above and develop tactics to target new hires and retain employees.

In reality, I think we all know that doing nothing is not an option. So, what are you waiting for?

Regina Barr is a management consultant and speaker with a special passion for helping women achieve leadership success. Regina helps companies develop strategies to attract, develop and retain women leaders. Her consulting firm, Red Ladder, Inc., also helps organizations and their leaders develop their full potential through strategic project management and coaching. For more information visit www.RedLadder.com or www.RedLadder.blogs.com.

Copyright 2006 Regina Barr, Red Ladder, Inc.