



2018 HIRING TRENDS

White Paper



INTRODUCTION

From October to December 2017, we surveyed more than 4,000 professionals about the challenges and trends that lie ahead in 2018. This report presents findings to help you tackle the challenges ahead, and paint the portrait of today's hiring landscape. Happy reading!

A low-angle, upward-looking photograph of several tall skyscrapers in a city, likely New York City, with a clear blue sky. The buildings are made of glass and steel, and their lines converge towards the top of the frame.

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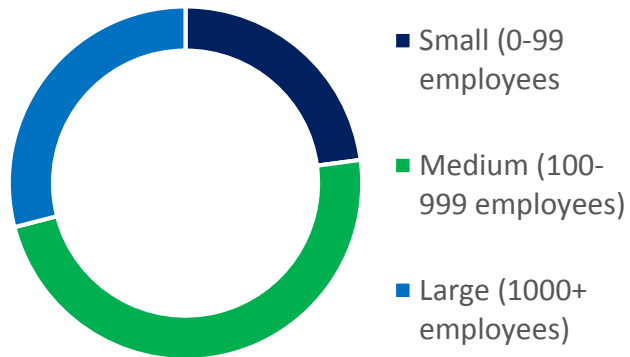
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SURVEY DEMOGRAPHICS

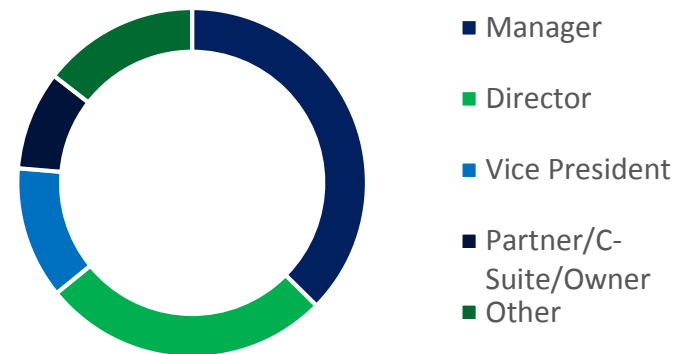
LaSalle Network surveyed more than 4,000 professionals at different levels, varying company sizes and industries.

Here's the breakdown:

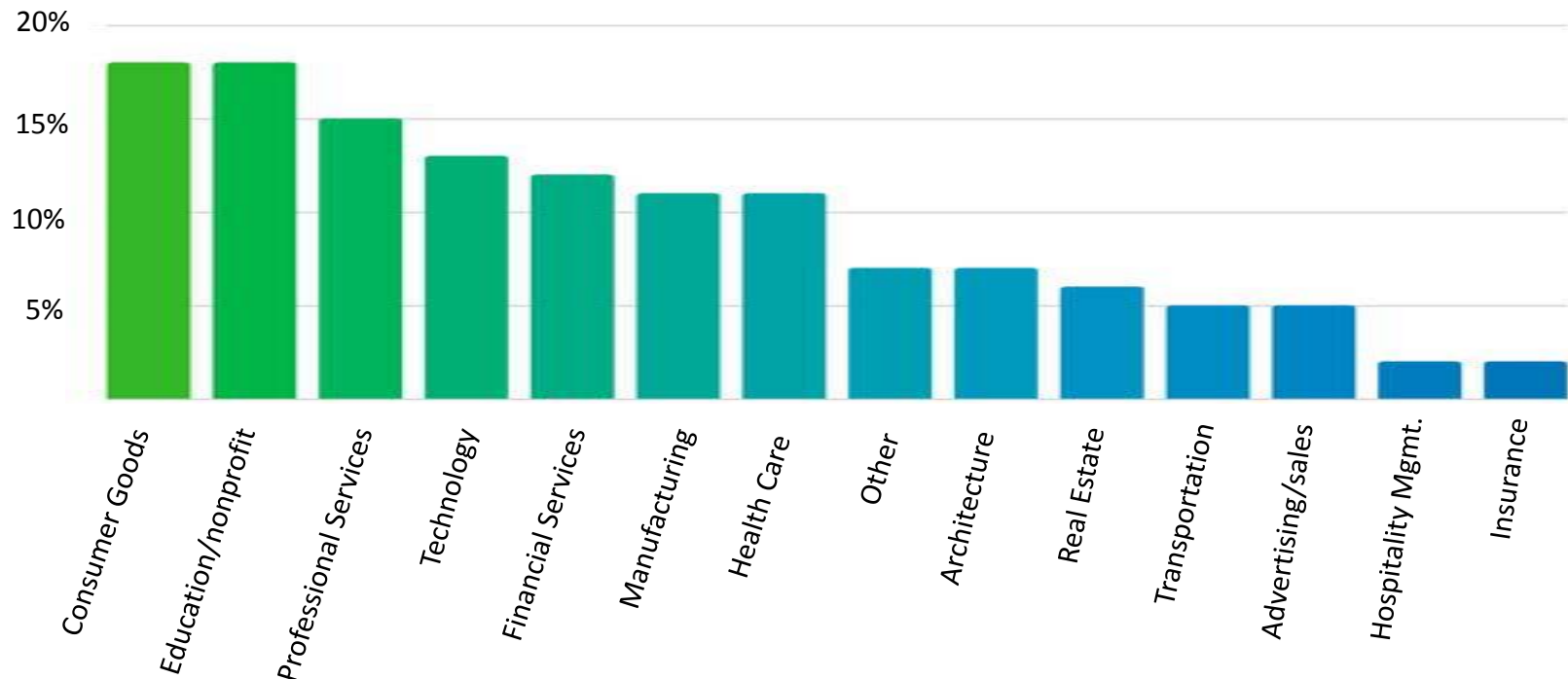
Company Size



Level



INDUSTRY



A photograph showing a person in a grey shirt writing on a document at a wooden table. Another person in a black shirt is visible in the background, gesturing with their hands. A green banner is overlaid on the right side of the image.

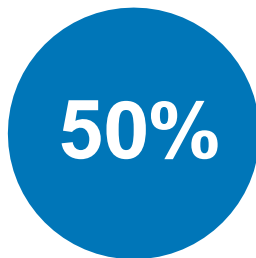
HIRING TRENDS

2017 VS. 2018 HIRING

A HEALTHY ECONOMY IN 2018

The [World Bank](#) forecasts a strong global economy after we saw more growth than expected in 2017. Companies are heading into 2018 with optimism, and **plan to hire more employees than in 2017**.

In 2017...



of respondents said their company planned to hire between **1-100 people**

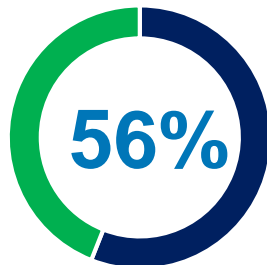
compared to

In 2018...



of respondents said their companies plan to add headcount

HIRING A DIVERSE ARRAY OF ROLES



of organizations that are hiring, 56% will add both back office and client facing positions

HIRING TEMPORARY EMPLOYEES

More than half of U.S. employers plan to hire temporary workers in 2018.

51% According to [CareerBuilder's job forecast](#) for 2018, 51% of employers plan to hire temporary or contract workers in 2018, which is in line with last year.

64% Of these employers plan to transition some temporary or contract workers into permanent roles.

Here are the benefits:

BENEFITS TO EMPLOYER



Attract more qualified candidates.



Evaluate a candidate's skills and culture fit before making an investment in salary.



Reduce future turnover and ultimately save money.

BENEFITS TO CANDIDATE



"Test-drive" the role, and get comfortable with the position and company.



Gain a first-hand look at company values, like work-ethic, culture and career opportunities.

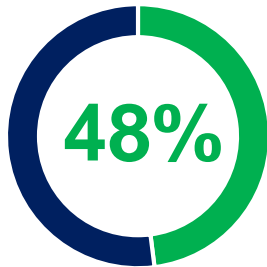


Leave with no strings attached. If it's not a good fit, there's no pressure to stay with the company.

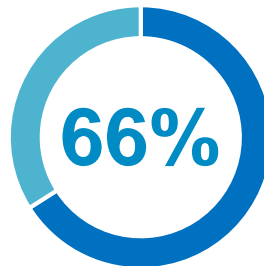
RAISES AND COMPENSTION

Not only do companies plan to hire in 2018, they also plan to increase compensation.

RAISING WAGES



48% of survey respondents plan to raise wages in 2018.



Of companies who plan on raising wages, 66% reported plans to raise them by **3%**, which aligns with the 2017 average.



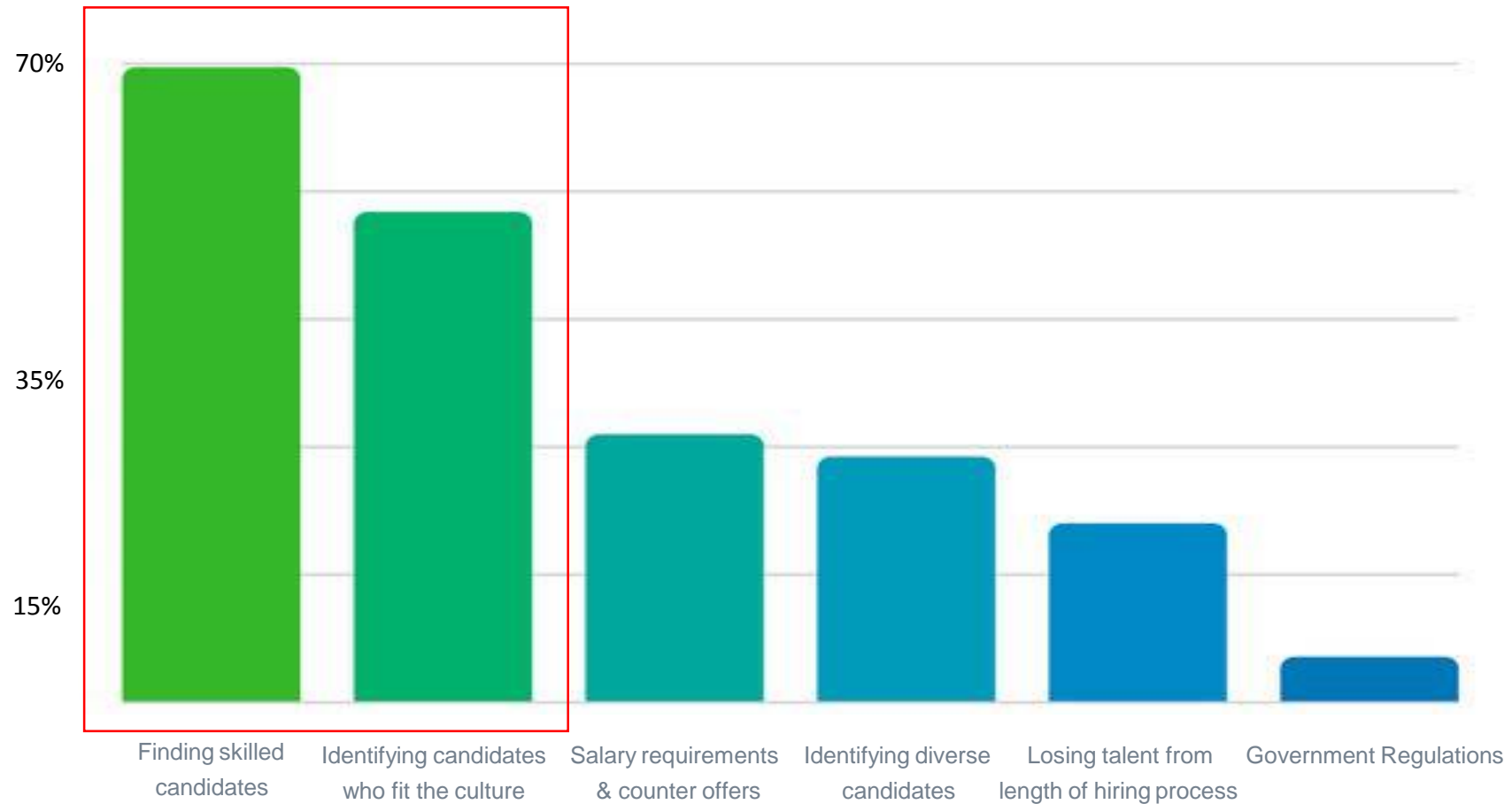
Bonuses abound:

125 U.S. organizations have announced plans for **bonuses and pay increases** this year. According to the conservative group, [Americans for Tax Reform](#), at least **2 million** Americans will receive “special bonuses” in **2018**

*Special bonuses refer to companies responding to the Tax Reform plan

HIRING CHALLENGES

Finding skilled candidates and identifying those who fit the culture were rated the most difficult aspects for companies when hiring. These results mirror what survey respondents reported in 2017. **The skills gap and culture fit remain top challenges for organizations today.**

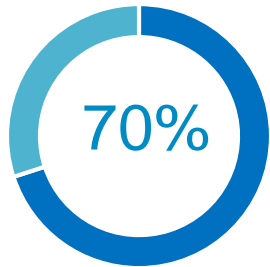


**Respondents could choose more than one hiring challenge*

A photograph of two men in a modern office setting. One man, wearing a black and white striped sweater, is writing on a whiteboard with a black marker. The other man, wearing a grey sweater, stands next to him with his arms crossed, looking at the whiteboard. The whiteboard has some faint writing and a small diagram. A green banner is overlaid on the right side of the image.

THE SKILLS GAP

THE SKILLS GAP



Attracting quality candidates is no easy task. As of this November, there were [six million job openings](#) in the U.S., and **seven million people looking for work**. Despite the large pool of candidates, the majority of survey respondents (70%) still said it's difficult to fill job vacancies with qualified workers.

To understand the skills gap, it's important to look into its possible causes. A [CareerBuilder study](#) of nearly 3,000 employers and job seekers identified the following top drivers causing the gap, and the positions that are hardest to fill:

WHAT CAUSES THE SKILLS GAP?



Lack of education for niche fields and degrees



Companies can't afford candidates they need



Higher education required for positions



Employees can't keep up with new/shifting technologies

WHAT POSITIONS ARE HARDEST TO FILL?



Financial Advisor



Healthcare Practitioners



Software Engineer



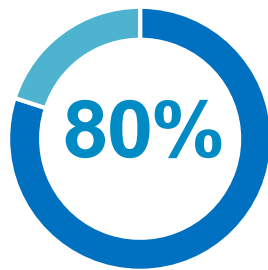
General and Operations Manager

SKILLS GAP STRATEGIES- TRAINING

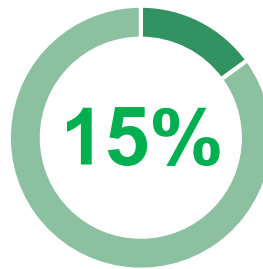


As technology continues to transform the way we live and work, it becomes increasingly important to **train employees on new skillsets**. When you develop your talent pipeline and provide job-specific training, new hires and current employees benefit. Investing time and resources into training prepares employees for the future and has been proven to lead to **higher retention and engagement**.

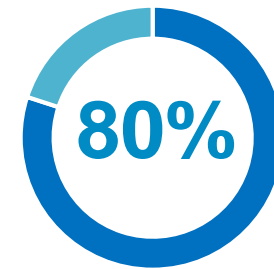
SKILLS GAP STATS



According to [SHRM](#), 80% of millennials say that the opportunity to learn new skills is a top factor when considering a new job.



According to a recent [McKinsey study](#), employers are willing to pay up to 15% of an employee's annual salary for training programs.



In a survey conducted by [LinkedIn](#), 80% of professionals agree that developing employees is top-of-mind for the executive team.

CLOSING THE GAP:



Seek soft skills: Value qualities like team work, communication skills and problem solving in your hiring decisions. Looking for good character will lead to more engaged, productive employees, and these candidates will go above and beyond to learn any hard skills they are lacking.



Innovate often: \$130 Billion is invested in employee training in the US, according to [Deloitte](#). Align your program with business goals, and make changes as technology or the needs of your organization evolve.



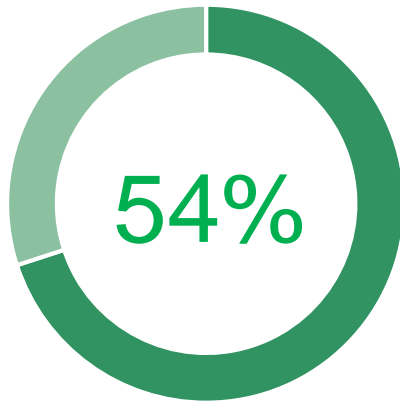
Culture of learning: Integrate development into your culture. Do managers help their team learn, or just focus on the numbers? How important is reflection, development and coaching to your organization? Do you promote a culture of feedback?



HIRING FOR CULTURE FIT

THE CULTURE CHALLENGE

In both 2017 and 2018, survey respondents said culture is one of their top hiring challenges. Here's why you should care:



54% of survey respondents say **company culture** is one of their *top hiring challenges*

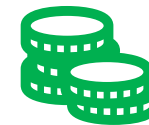
THE #1 REASON CANDIDATES CHOOSE ONE JOB OVER ANOTHER IS PERCEIVED COMPANY CULTURE



[64% of employees](#) say trust between employees and senior management is very important to their job satisfaction.



Only 23% of companies believe their employees are fully aligned with the corporate purpose.



According to [Harvard Business Review](#), employees who fit well with the organization and their coworkers are happier in their jobs and are more likely to be top performers.

HIRING FOR CULTURE FIT

You know culture is important and understand it can be the backbone of a great business, but how do you ensure you find the *right* people for your team, and keep existing employees engaged?

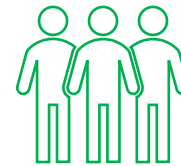
SCREEN FOR CULTURE DURING THE INTERVIEW PROCESS



Ask yourself, “can I sit next to this person on a 4-hour plane ride?”



Were they respectful, friendly and considerate to everyone, including the office assistants?

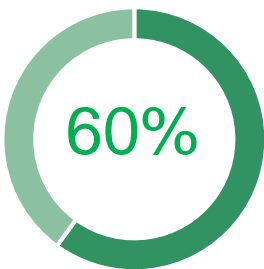


At least 3 employees at different levels should interview the candidate to gauge culture fit.

FOCUS ON THE INTANGIBLES

Culture and perks aren't the same thing. Too many organizations are overly focused on things like **game rooms, flexibility and happy hours**. These may help to retain employees in **the short term**, but they are inauthentic and will not lead to long term engagement. The key is to **focus on real relationships and connections** within the company. **Transparency, learning and growth** are essential to fuel your culture and ultimately elevate your success.

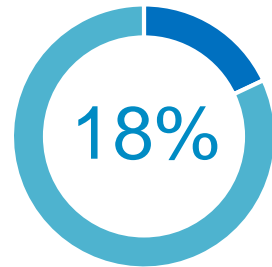
Hiring for culture fit not only strengthens a company internally, but it also saves money on costly turnovers.



Turnover due to poor culture fit can cost an organization nearly **60%** of the employee's annual salary, according to the [Society for Human Resource Management \(SHRM\)](#).

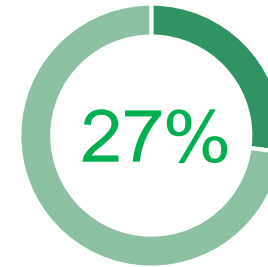
THE DIVERSITY ISSUE

Compared to last year, more respondents in our survey report diversity and inclusion as a key hiring challenge in 2018.



In 2017, 18% of professionals said finding diverse candidates was their most difficult hiring challenge

2017 VS 2018



In 2018, 27% of professionals said finding diverse candidates will be their top hiring challenge

83%

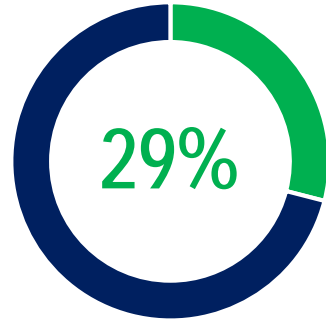
According to [Glassdoor](#), 83% of **Millennials** say they are **engaged at work** when they believe the organization fosters an inclusive culture

1/3

1/3 of businesses **have no women** at the **senior management** level

COMPENSATION & COUNTER OFFERS

Survey respondents said compensation requirements and counter offers were their third biggest hiring challenge.



29% of organizations said compensation & counter offers are top hiring challenges for 2018.

COMPENSATION:

With the unemployment rate at a low **4.1%** [as of December](#), it's a candidate-driven market. Many organizations are paying more for top talent, but compensation isn't everything. Evaluate other motivators for your people like:

Culture



Location



Benefits



COUNTER OFFERS:

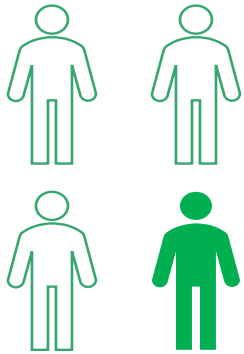
Upfront communication and open dialogue are key. Ask potential candidates “What if your current employer offers you a counter offer?” and “how will you respond?” This way, you and your candidate will be prepared, and if they do get a counter offer you can negotiate.



GET BEHIND BENEFITS

EMPLOYEE BENEFITS

Offering benefits to your employees is important because it shows you care about their overall health and their future. A good benefits program can also help attract and retain talent.



One in four survey respondents reported they plan on adding to their benefits package in 2018.

According to our survey, the extra benefits employers plan to add are gym reimbursement and more paid time off.



26%

Of respondents who said they are adding to their benefits package, 26% said they will **add more PTO**.

78%

According to [Glassdoor](#), 78% of managers agree that vacation time **improves employees' focus** upon return.

HOW MUCH PTO DO EMPLOYEES NEED?

Nielsen research shows employees who vacation are more engaged, less stressed and less likely to quit their jobs. [SHRM](#) reports that most organizations offer PTO plans to employees based on how long they've been with the company. The average leave days awarded for employees ranges from 13 to 26 days. In addition, an increasing number of organizations are offering unlimited PTO plans as a way to attract talent.

WELLNESS

Healthy and happy employees are the foundation of any strong business and culture. Wellness programs that offer things like fitness, nutrition and stress management programs can make a huge impact on employee engagement, save money and attract quality candidates. It's important for corporations to invest in the overall wellness of employees, both physically and mentally.

HERE ARE THE STATS:

41%

According to a study by the American Journal of Health Promotion, [41% of wellness programs](#) **save organizations more money than they cost.**

26%

Of our respondents who said they are adding to their benefits, package, 26% said they will **add gym reimbursement.**

GOOD FOR EMPLOYEERS AND EMPLOYEES:



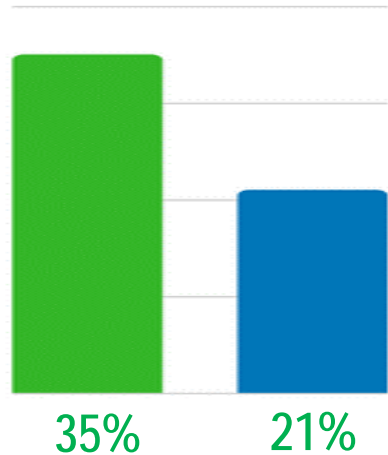
According to The [New York Times](#), helping to pay for employees' fitness plans leads to healthier workers, improved morale and decreases in health care costs. It's important to make this a priority when constructing or revamping your benefits plan.



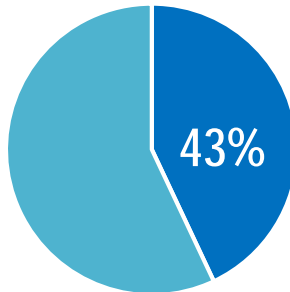
TAX REFORM

TAX REFORM INSIGHTS

President Trump tweeted, “Tax cuts will lead to higher growth, higher wages and more jobs.” Here’s how companies will actually use the money they’ll save:



The tax reform plan cuts the corporate tax rate from 35% to 21%



According to The [Wall Street Journal](#), about 43% of executives say they’ll ramp up hiring in the next six months in response to the plan.

“

AT&T is committed to invest an additional **\$1 billion** in the United States in 2018... Every \$1 billion in capital invested in the telecom industry domestically creates about **7,000** U.S. jobs, research shows.

- AT&T

”



QUICK TIP:

[The Washington Post](#) reports that most Fortune 500 companies plan to use the additional money for acquisitions and paying down debt. Consider using this opportunity to invest back into your organization or jump start your growth.

CONCLUSION

A forecast for a strong economy in 2018 is causing companies to be optimistic about the future. They're focused on building a strong culture and providing the best benefits to reduce turnover and lower company costs. Here are takeaways to consider for the year ahead:

- Tackle the skills gap with job-specific training to build an internal talent pipeline.
- Attract diverse talent through providing quality benefits, training and opportunities for growth.
- Consider using money saved through the GOP Tax Plan to hire, invest in upgrading technology and equipment, or raise wages for employees.
- Strengthen coworker relationships with cross-team projects, peer recognition, team outings and hiring for culture fit.
- Hiring temporary employees can be a great way to reduce turnover costs and evaluate performance before bringing on a team member full-time.

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SHRM: *Labor Demand Boosts Paid Time Off Benefits*

SHRM: *Retaining Talent*



LaSalle's innovative approach to staffing and recruiting is designed to provide clients with quality talent who not only match the job description, but the company culture.

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Culture 20/20

Culture 20/20 provides the tools companies need to focus on their culture. Utilize technology and experiment; we will help you tackle your culture challenge and keep employees engaged.

For more information, contact
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With over 25 years in the insurance and employee benefits business, LaSalle Benefits can provide you with the best solution for your unique needs, wants and vision.

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