

Hiring in a Post-covid World



HIRING IN A POST-COVID WORLD

In post-covid times, with things opening up, it should be easy to find good help. All those workers sitting on the bench will be champing at the bit to get back at it, right? As you surely know, that's not what's happening. Almost all of my clients are hiring and all are having a hard time even attracting applicants. If employers are buyers and employees are sellers, it is a seller's market.

THE FACTS ABOUT THE CURRENT LABOR MARKET

A client's recent experience really put things in perspective for me. He has been trying to hire unskilled labor for over a year at his pre-covid rate of \$14 per hour. Unable to attract new help at that price, he bit the bullet and hired a promising candidate for \$18 per hour. Three days later, the new guy walked in:

"I gotta have \$25 per hour. I make \$21.05 from unemployment and they don't take out payroll tax. You're only paying \$18 and that's before you take out tax."

The new hire is back on the couch, and my client is back in the hunt.

He is not alone. Today's Wall Street Journal reports that employers are filling only 1 out of every 15 open positions. Of the companies surveyed, 90.5% report that lack of workers is the number one factor in the scarcity of products, which in turn is the number one factor in the price increases we're seeing (and why you need to raise your productivity and prices.).

WHAT CAN YOU DO ABOUT IT?

Those are the facts, so what can you do to improve the odds of hiring the people you need? Two things: offer the going rate for labor, and tout the benefits of working for you.

The first thing is to offer a competitive pay rate. It's hard to hire people for \$12 per hour when the business down the street is paying \$15. It's even harder now when we're competing with the largesse of omnipresent unemployment benefits. We have to accept that the current environment has raised wages. You must know and offer what it takes to compete in your market.

The second thing is to stand out among employers competing for people. That begins with the ad you place on Indeed or Ziprecruiter or Craig's List or wherever you post job ads. Attracting employees is just like attracting customers. You have to give customers reasons other than price to buy from you, and you have to give workers reasons other than pay, to work for you.

JOB POSTINGS: THE GOOD, THE BAD, AND THE UGLY

A lot of job postings look like this one that I took from a job posting site:

JOB OPENING

"Job type: Full-time

Salary: \$25-35 per hour

We are looking to hire a journeyman electrician to work in

This will be a service job that will require you to manage many jobs at once.

Requirements:

- Must have your own hand tools
- Completion of a relevant apprenticeship
- Appropriate certificate or degree will be advantageous

- Excellent critical thinking skill required
- Observant and thorough
- Good arithmetic skills
- Ability to work in constricted areas
- Company truck provided
- And so on...."

Responsibilities:

- Carrying standard equipment and parts at all times
- Performing inspections, assessments, and liaising with clients to ascertain issues that warrant attention
- Monitoring inventory at all times
- Logging time and resources spent on each task to determine costs
- Ensuring adherence to all relevant safety regulations
- And blah, blah, blah...

Salary:

- Pay scale will be determined on experience

What's compelling or attractive about that ad? It's all about what the employer wants. What's in it for the new hire? A wage? He/she can get that anywhere. Why should they come to work for this company over the hundreds of other companies looking for a journeyman electrician? It's like posting an ad for your product that simply lists the dimensions of the box it comes in!

A client came up with this posting, and it is a much better ad:

JOB OPENING

"We are seeking a service Sales Representative to join our team.

Do you love to talk to people, build relationships, and have FUN while earning a \$60,000 base salary plus unlimited commissions?

Do you want a career instead of just a job?

Do you want respect from the company you work for and the people you work with?

If you are an honest, passionate, independent person who is looking for an opportunity to make a great living, we want to talk to you. What we do isn't easy and it's not for everyone, but if you're ready to bet on yourself and have the stuff, we're ready to bet on you too. It's a great life. We'd love to talk to you."

This ad has personality! It shows that the company understands and cares about what a new hire wants. It is more than a list of duties and it uses language that says more than the text itself. Words like "join," "team," "respect," "fun," "career," "love," "relationships," "passion," "we want to bet on you," and "great life" give candidates insights into the culture of the business.

Which ad would you click on? The sterile list of "must haves" and "duties," or the opportunity to work with a team of people who have shown they understand what you want?

If you want even a shot at attracting new hires, you must offer a competitive salary and write an ad that appeals to candidates. Are you offering a competitive salary and does your ad entice prospects or put them to sleep?

One last thing: When it comes to willing workers, thank God for our latino brothers and sisters.

If you have any further questions, please don't hesitate to mail me at Martin@annealbc.com or visit www.annealbc.com



Martin Holland

Martin Holland is the son of a successful entrepreneur. He grew up hearing about margins and markets, R&D and sales, risk and return on investment. He learned to love the language and rigors of business and grew to believe that business is both the most human of all endeavors and the highest calling. After selling a company in 2011, Martin became a coach in order to help other owners build profitable businesses that do not require their day-to-day involvement.

A native of Norman, Martin earned a B.A. degree from Hastings College in Hastings, Nebraska and a Masters in Business Administration degree from the University of Oklahoma. Over the past 7 years he has written business plans that have raised over \$52.4 million in bank and investor financing. He has helped 157 (and counting) business owners reduce stress and increase performance through clarity of purpose, better marriages, more money, and more free time away from the business.