Recruitment & Retention

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The Challenge

- Employee retention and recruitment is one of the most important challenges that we face.
- Without exception, your success depends on the quality of your employees.
- You will rarely, if ever, hire great employees through “coincidental hiring”.
  - Coincidental hiring – The moment you are looking for a great employee, one coincidentally walks into your shop.
Growth of Labor Force is Slowing...

- The labor force is growing at a slower rate.
- During the recent recession, the workers we lost won’t be coming back.
Age of Labor Force

- Median age is 42.1 years across all industries in 2012.
- Median age is 41.6 years in construction industry in 2012.

Source: U.S. Department of Labor
With the growing demand for workers and a shrinking labor pool, we will have to position ourselves to do more to attract young workers to our industry.
Generations in the Workplace

- **Traditionalists – Born 1922–1943**
  - Conservative values, hard workers, sense of duty and loyalty, may be intimidated by technology

- **Baby Boomers – Born 1943–1960**
  - Question authority, driven and career-focused, personal fulfillment is a big motivator

- **Generation X – Born 1960–1980**
  - Self-reliant and skeptical, technically savvy, often reject “rules”

- **Generation Y (Millennials) – Born 1980–2000**
  - Expert multi-taskers, face-to-face skills not as developed, optimistic, need structure, highly social

Source: The Mayo Clinic
Gen Y / Millennial

- Gen Y / Millennials are the generation to focus on
  - 70–80 Million
  - By 2014, 36% of U.S. workforce will be comprised of Millennials.
  - By 2020, Millennials are projected to make up nearly half of the U.S. workforce.
  - 40% of all Millennials have tattoos!

**Pew Research Center 2010 report, Millennials: A Portrait of Generation Next**

Characteristics of Gen Y
- Expect YOU to give THEM input immediately
- Want schedule flexibility
- Prefer communication through technology (Text/email/social media)
- Sense of entitlement
History of Recruiting Tactics

- Posted signs in the Window
- Classified advertisements in newspapers

Internet Age
- Job posting boards (Monster, Career Builder, etc)
- Online classified Ads (Craigslist)
- Job postings on company website

Current Day
- New Search Engines (Indeed.com, Simplyhired.com)
- Social Media (Facebook, Twitter, LinkedIn)
Employee Recruitment

- You must be able to offer potential employees proof that you run a quality business centered around top-notch employees.

- Numerous studies show rate of pay is often listed as low as five or six in importance.
  - In absence of any other compelling reason to join your company, rate of pay probably becomes a potential employee’s top priority.
Reasons to Work for your company

- communicate compelling reasons to work for your company
  - Pay is not usually the top consideration for candidates.
- Think of all the things your company does that makes it better than the rest
- Do not be shy about listing all the items that make your company great
- Be sure to communicate your growth plan
  - The best employees want to be part of a growing company
Reasons to Work at Value Heating & Cooling

1. Our top technicians earn over $100k per year
2. Year Round Employment
3. Flexible Work Schedule
4. Signing Bonus
5. Advancement Opportunities & Career Growth Plan
6. Tuition Reimbursement
7. Factory Training
8. In House Training
9. On Job Training
10. NATE Certification Training
11. Quality Fleet
12. Tools Program
13. Employee Recognition Program
14. Dedicated Service Support Team
15. Job Diversity
16. Well Stocked Vehicle Inventory
17. Computerized Dispatch Technology
18. Paid sick, vacation and holiday
19. Health/Dental insurance
20. Retirement
Dealers need to be prepared for multiple counter offers on Service Techs and Installers

Negotiations are more about total offering
- Tools
- On Call time
- 401K

Company reputation matter!

STOP ALL WILL CALLS!!!
- We are poaching successfully
Continuous Recruitment

- Your recruitment strategy should be one of *continuous* recruitment
- You must always be “in the game”
- Recruitment can’t be 100% centered on current industry employees
- You are looking for *outstanding* people who are trainable
  - “Hire for attitude, train for skill”
Why do experienced guys change jobs?

- Better Work Environment
  - Relationship with Supervisor
  - Better tools
  - Consistent pay–check (installers)
  - Better benefits (medical, retirement, time off, etc.)
  - Better company reputation
- Higher Pay (at least $3–$5/hr more)
- Family responsibilities (relocation)
- Willing to move to a rural area to provide a better life for their families
Pay rates for Technicians / Installers

- Hirable wage rates for Experienced Technicians
  - Metro areas – $27–33 /hr
  - Rural areas – $22–27 /hr
    - Signing Bonuses during the busy season
      - 5–8% of annual wages

- Hirable wage rates for Experienced Installers
  - Metro areas – $23–31 /hr
  - Rural areas – $20–25 /hr
    - Signing Bonuses during the busy season
      - 5–8% of annual wages

- Company Reputation “Trumps” Pay Rates.
Recommended Recruitment Process:

**Steps:**
1. Review and Update job description
2. Write employment ad, screening questions and interview questions
3. Post job opening to all job boards, including social media sites
4. Screen incoming resumes
5. Job Fit Assessment
6. Phone interview
7. First In-Person Interview
8. 2nd Interview with other staff members
9. Call candidate’s references
10. Written job offer to candidate
11. Coordinate Drug screening / Background check
Resume review/Assessment Recommendation

- Our team of Recruitment Coaches will review and select the top applicants and suggest which ones should move forward in the recruitment process.

- The next steps would be to have the applicants take our Prevue Assessment to score them on their “suitability” for the position.
**Job Fit Assessment**

- The Job Fit Assessment compares the employee against the scores of known good employees.

- Use a succession plan to create a career path for your employees.
Hiring Mistakes

1. Not having a clear understanding of the job duties
   ◦ Up to date job descriptions are required.

2. Not advertising correctly
   ◦ To get the most applicants you MUST mention the pay rate or income potential (other than senior managers)
   ◦ Post on multiple sources nationwide.
     • Indeed.com, simplyhired.com, craigslist, etc.
   ◦ In major metropolitan areas, there is greater competition for the worker, so it takes more advertising to standout from the other companies.
Hiring Mistakes (Cont.)

3. Not moving candidates fast enough through the hiring process.
   ◦ The best candidates are not waiting for you to decide, they are actively searching, waiting “a couple of days” can be the difference in getting the candidate or not.

4. Emotional attachment to a candidate.
   ◦ When we interview candidates, it is easy to become emotionally attached to them and overlook their shortcomings.
     • Use unbiased tools, such as assessments to filter out candidates *before* interviewing.
Complete recruiting services that specialize in the staffing needs of the HVAC industry

- Develop job descriptions and job ads
- Market open positions
- Review and filter candidates
- Job fit assessments
- Phone interviewing

The final hiring decision is ultimately yours, but can be made with confidence after using our system.
More information on our Recruiting Service

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