

ANNUAL REVIEWS ARE FOR *JOBS* TOO!

Like many companies, Elwood recently wrapped up its formal annual performance review process for current employees. There's just something to be said about a coordinated, companywide effort that only takes place once per year: Leaders listen better, comments mean more, and action happens quicker. That's why we believe it's just as important to review each *job* in your facility once per year, too.

In late May, we surveyed and received responses from 390 employers about their hiring requirements and compensation review processes, and the results are interesting!

DATA SHOW STRONG RELATIONSHIP BETWEEN UNCOMMON HIRING REQUIREMENTS & HIGH EMPLOYMENT BARRIERS

As pre-pandemic territory comes sharply back into focus (read: a job-seekers' market), you must ensure any barriers to employment are wholly job-related and only weed out completely unqualified candidates.

One interesting trend that came out of our analysis is that not all hiring requirements are created equal. In fact, employers that utilize the least-common screening procedures also have the highest number of hoops to jump through. This becomes very apparent when you look at hiring practices that are driven by blanket corporate policies (those that are applied to every single new hire), not by position. Check out the chart to the right!

If you require employees to possess or pass the least-common requirements, are you also asking them to pass or possess a lot of other things? If so, it's time to take a page out of your competitors' books: Keep only the most impactful screening items and get rid of the rest.

HIRING PRACTICES AT COMPANIES WITH BLANKET HIRING POLICIES

	% of companies with blanket hiring requirement	Average number of blanket screening procedures
Education Verification	15%	7.2
Intelligence Test	15%	6.5
Prior Experience	15%	6.1
Physical Test	29%	5.0
HSD/GED	33%	5.1
Employment Verification	37%	5.1
Interview	49%	4.5
Background Check	69%	4.1
Drug Screen	86%	3.7

Ex.: Fifteen percent of employers require education verification for every new hire, and those employers average a total number of 7.2 blanket screening requirements (out of the 9 listed)

OVER TWO-THIRDS OF ALL EMPLOYERS KNOW CURRENT MARKET PAY RATES FOR EVERY POSITION, YET ONLY ONE-THIRD USE THE STRATEGY FOR ANNUAL PLANNING

A tight recruiting market always leads to starting pay increases at a higher percentage of employers, but the post-pandemic rollercoaster and high inflationary environment have made it even more important for employers to pay attention to market changes—because even market leaders can find themselves in the dust if they remain idle too long.