

## Recruiting Talent: Challenges and Opportunities in a Post-COVID World

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It's happened again... You spent the last 6 weeks looking for good candidates to fill your multiple job openings, and although you continue to interview what seems to be great people, and you've made multiple offers of employment, you are still struggling to fill even one of the 20+ jobs you have open. The supervisors and managers are screaming for help, demanding that you bring them the people they need, and executives are making tough decisions on budgets and strategic planning, and can't seem to get past the first step until multiple positions are filled and production or services can get back to where they need them to be for the company to be or continue to be profitable. As an HR professional, you are expected to help in this process; fill the open jobs and keep the employees happy and content, but no matter what you do, it seems more are leaving than coming in the door to begin employment.

As an employee benefits consultant and health insurance agent/broker, I have watched my employer clients, as well as non-client employers, struggle to recruit and retain talent since the Pandemic years of 2020 and 2021. While COVID-19 illnesses are now less severe and more manageable, one fact remains true....It's just really difficult to fill jobs... And not just production or low wage jobs, but jobs at all tiers, all levels of education and training. The employers are no longer in the driver's seat while recruiting or retaining employees. It's the employees themselves, or potential employees, who are now in control in most cases.

I was fortunate to have two incredibly talented and knowledgeable experts join me in presenting several classes during Advanced Benefit Consulting's Lunch & Learn program in January, 2023; Kathy Ruffino, Vice President & HR Consultant and Trainer from Train Me Today, and Marilyn Monahan, Esq, of Monahan Law Office, ABC's benefits and insurance attorney. While putting together the four classes for that program, we were able to share ideas, experiences and expertise in a way that was very productive, creative and interesting for the attendees and for us, the presenters, as well. Our second class presentation was of the same title as this article, followed by Benefit Programs to Attract and Retain Talent for All Job Tiers. I learned so much from this experience that I wanted to share it with others, so I hope you'll enjoy reading about this important topic.

### ***Challenges for Employers Post-Pandemic***

I think that one of the greatest challenges employers have in our post-pandemic world is recruiting talent and keeping those recruited from moving on quickly to other employers, after tremendous time, energy, effort and money was spent on bringing them on and training them for their new positions. It's an HR Professional's nightmare, as well as senior management, as the turnover never seems to end, with what seems like little or no hope for improvement any time soon. Let's face it; employers, as I mentioned, are at the mercy of the employees they are trying to recruit and retain. So, what makes one employer better than the other, as a job candidate creates their potential job spreadsheet, and you fit only into a simple square that may contain only a check-mark or a one word comment when they go back to compare job possibilities? How do you stand out? What will make those job candidates want to work for you, and want to stay with you for multiple years?

What have we seen post-COVID? Everything has changed... Employee engagement has diminished, people are discovering, or re-discovering, the need for life/work balance, and the labor force expectations and demands have changed. Most notably, employers have experienced a shrinking labor pool for jobs that had previously been easily filled. And simultaneously, new labor laws have made things even more difficult for employers. So how do you navigate all of this change?

We are seeing now “quiet quitting,” which Kathy Ruffino says is now the new slang for employee engagement. “What they are telling you now is that they are not going to do seven jobs for the pay of one.” Post-COVID employees are saying they will no longer work their 40 hours during the week and another 10-20 over the weekend. The new workforce post-COVID, per Kathy, is saying “No, you know what? I’ll work 40 hours. That’s what you pay me for, so that’s what I’ll do.”

What, specifically, are job applicants looking for post-pandemic? “It’s pretty simple, actually,” stated Kathy Ruffino. “Applicants are expecting rewards that compensate them for the work they do.” So, what do employees or job applicants want? Although we’ll get more into details later, they want:

- More and better benefits
- Higher pay
- More flexibility in their work schedule
- Remote or hybrid work
- Advancement opportunities
- Recognition and rewards programs.

Kathy stated, “They are looking for you to value them. Recognize their hard work. Recognize what they contribute to your organization’s success. It doesn’t always have to be monetary, but it has to be sincere and authentic.”

### ***The Need for Remote or Hybrid Workers***

One of the most common themes of the majority of job candidates is the need to find remote or hybrid work. For those jobs that can be done from home, full-time or part-time, human resources and supervisors and managers are struggling to figure out how to design job descriptions for remote employees at all tiers, and are finding it even more challenging to hire a remote or hybrid work force. As an employer, what do you need to offer in the form of benefits that attract and retain recruits, and keep them on the job? What can you do to keep them on your team, and what tools do you need to keep employees engaged long-term if they are working remotely?

It's true; workplaces changed dramatically during the pandemic. There are now fewer people in offices, and more and more people working from home, or wherever they may be, but somehow, the work still needs to get done! So, how do you manage all of this?

First, you need to take a step back and determine exactly what jobs can be offered remotely or on a hybrid basis. Stop thinking about what you thought to be true in 2019, and get onboard with what’s going on in 2023. Many managers may automatically say no, this job or that can’t be done remotely, but is that really true? Here is the reality in 2023.... 80% of workers want jobs that are remote or hybrid, so if you are refusing to offer remote or hybrid jobs, you will not find good candidates to fill those jobs in many cases, because quite simply, they will go somewhere that does.

We all know that there are some jobs that are not conducive to working from home, so let’s put those aside first... Think production jobs, manufacturing, tool making, bank tellers, etc. But what about the other positions in the company? From a strategic planning perspective, you need to consider the essential duties of the job and determine whether all or part of them can be performed offsite. Then, if you determine that some of these jobs can be done from home or on a hybrid basis, how will you manage your remote workers? How will you keep them engaged while off-site, and what new expectations will be placed on managers that have employees working off-site? “Ask your employees. They have amazing ideas,” stated Kathy. “What does it cost you to have people remote? What does it cost you to not?” stated Kathy. The reality is, you could lose 40-60% of your potential applicants by not offering remote work.

Marilyn Monahan stated that she has read that countries like “Spain, as well as 25 other countries, are offering new work visas for people that want to work remotely.” These opportunities will only increase the likelihood that more individuals will be looking for fully remote positions.

Matters of confidentiality and technology cannot be overlooked if working at home. Can information be properly protected from unauthorized access, deletion, or alteration? “If the only option is using the family computer, then you’ve got issues,” stated Marilyn Monahan, particularly if the remote worker will be handling confidential, protected, or trade secret information. “Can you support them by providing them with a company computer?” This topic is something I’m personally very familiar with, as we are HIPAA Privacy & Security consultants and trainers also, and we work with an elite group of technology partners that are experts in electronic and cyber security. Our last class on January 24<sup>th</sup> actually discussed this topic, but unfortunately it’s too much information to include in this article!

Employers need to weigh the costs of a remote or hybrid workforce to determine if it’s feasible. While we all know many employers prefer to have their employees working onsite, failing to consider the viability of remote or hybrid work as an incentive to job applicants and employees may actually be far less costly than the lost productivity due to the employer’s failure to hire and retain good people in all job tiers!

### ***How to Offer Cost-Effective Additional Job Benefits and Incentives to Stay on the Job Long-Term***

One effective solution, according to Kathy Ruffino of Train Me Today, has been to provide incentives to help you recruit and retain quality employees. You need to think outside of the box and the usual “menu” of pay and benefits to create a total rewards package that will attract applicants and retain employees.

How do you do that? By offering both company-paid and voluntary (supplemental) benefits to your employees, by providing on-site day care or offsite day care subsidies, by providing ride-sharing, student debt and college tuition assistance, by creating career pathing and promotions within the company culture, by having a strong employee reward and recognition program or programs, by training and developing your employees, and by providing personal days off, usually on a monthly or quarterly basis. Most importantly, states Kathy, is that you “must deliver what you promise!”

“On-site day care is always an interest for the employees, but not so much for employers... The insurance for that is *phenomenal*. The risk of having a child care center on site is incredibly expensive from the insurance and safety perspective, and lawsuits,” stated Kathy. “A lot of employers pulled away from that. The subsidies, *sure*. That’s always attractive, especially for parents that are working hourly wages. Daycare is expensive.”

Student tuition debt and tuition assistance has come back strongly. “In the 80’s, tuition reimbursement was a standard. Then it kind of went away, but now it’s something to think about again,” commented Kathy. It’s a big cost. But, you can tie it to certain things, like grades, etc.

Can these types of benefits be offered by class? Yes, they can be offered by class, as long as you don’t discriminate within a class. It’s always best to have your benefits lawyer review these before implementing.

You can tie things to a time-frame, like tuition reimbursement, to assure longevity. It’s best to talk this through with an expert. You want to be sure you’re offering the right benefits to attract workers, and look beyond that as well.

“People don’t leave just based on benefits, pay and child subsidies. They leave because they don’t like management. More employees quit because of their management than anything else,” stated Kathy Ruffino. Perhaps management training is more important today than ever before.

### ***How to Stand Out on a Job-Seeker’s Job Comparison Spreadsheet***

The most important thing you can do to stand out to applicants, according to Kathy, is to develop your Employer Value Proposition. In our live presentation on January 24, 2023, Kathy referred to a survey conducted by Universum of nearly 2,500 HR, Marketing and Talent Acquisition Managers from 50 countries that found that these types of companies have created employer value propositions: 67% of large companies (10,000 employees), 55% of medium-sized companies (1,000 to 9,999 employees), and 30% of small companies with fewer than 999 employees. Why do this? According to Kathy, you need to do this to show job seekers who you are, and to show them what they can expect if they are to work with your organization. A Value Proposition will teach you to promote careers, not just the job, and how to use social media to tell your story to potential applicants. Very importantly, a good Value Proposition will allow you to share news about the awards the company has received, the partnerships it has, and the advances in your industry. All in all, a Value Proposition will help you to STAND OUT to applicants in every way possible.

“Candidates today are looking for purpose,” stated Kathy. ...“What is the purpose of your company and why would I want to work for you? It’s no longer ‘I just need a job’. They are in high demand. They know they can work anywhere they want. What makes you different? What makes them say I want to work for this company because, *wow, look at what they believe in.* Employer Value Propositions tell the candidates who you are.”

Good examples of Employer Value Propositions include HubSpot, a software developer, whose emphasis is that employees are treated like people, not bottom-line items. “Employees are whole people, with families, hobbies, and lives outside of work. We work remotely, keep non-traditional hours, and use unlimited vacation to create work-life fit for us and the people we love.” While not every organization would want or could afford unlimited vacation time, it’s definitely a strong Value Proposition to attract talent!

Another example of a good Value Proposition is Unilever, who works in consumer goods. Its emphasis is on the opportunity to work alongside brilliant, inspiring leaders. “Unilever is the place where you can bring your purpose to life through the work that you do, creating a better business and a better world. You will work with brands that are loved and improve the lives of our consumers and the communities around us.”

### ***Recruit and Select the “A” Players***

Key steps to recruiting and selecting the “A” players include conducting thorough interviews, but using more than one qualified interviewer whenever possible. “It shortens your bias. It gives you a better view... Use more than one person if you can,” recommended Kathy.

Another key step is to ask success-prediction questions, to dig deep and learn what is important to each candidate. What are they passionate about? What might attract them to accept the job and stay? Interviewers need to pay attention to patterns for why they accepted previous jobs and perhaps ask about the impact they made on previous companies when working for them. According to Kathy, “Lackluster candidates will be lackluster employees.” If you’re hearing one theme, pay attention... It’s the common theme with all of their jobs, and that’s not going to be offered, so you’re probably not going to keep that person.”

One important thing to NOT do, according to Kathy, is to show candidates around and introduce them to your team unless you have made an offer. If you do, it sends the wrong message, and makes them think they have the job. “It sends a really bad message... Why would you introduce them if you weren’t [hiring them]? Please stop doing that. It’s really bad PR for your company, because now when they don’t get the job, they are going to tell everyone how horrible you were.”

### ***Retaining Your Employees***

Now that you have quality new hires, how do you retain them, along with retaining your current/longer-term employees? One thing to keep in mind is that while you’re putting most of your efforts into bringing on new and quality new hires, your current employees may very well be looking for new opportunities themselves! Because

let's face it... *they know what's going on in the world and they know that if you don't give them what they want, they can go somewhere else that can and will.*

Keep in mind; culture is everything. You need to create and maintain a culture that shows you value your employees and demonstrate that culture in everything you do. You should also provide learning and development, and provide your employees opportunities to learn and develop new skills and increase their self-worth and value within the organization.

Something that should not be forgotten is that supervisors and managers want and need training. You should require training for your leadership team to learn and fine-tune their skillsets needed to be effective leaders. According to Kathy, supervisor and manager training is their most popular training in recent years. "Organizations have discovered that we promote people into management positions, and they have no skills in which to manage. They have no idea how to be a manager or a supervisor. They have no idea how to stop being friends with co-workers and now they have to manage them." Make sure you give them the skill sets and make sure they are ready. Not all excellent producers are good managers. You could not only have a poor manager, but also lose an excellent producer. If you can't train them, you may not want to promote them.

"I had an employee who was amazing at her job and her manager kept wanting to promote her," recalled Kathy. "She came into my office and said please don't let them promote me. I don't want to be in management, and her manager did it anyway, and did it in a town hall meeting. She quit the next day. She was an amazing, 11-year employee, and she left."

As an employer, you should re-engage your workforce on a continuous basis. You should create opportunities for all employees at all levels to reconnect and re-engage with each other.

In addition, you should remember to pay equitably. The compensation you offer as an employer needs to reflect the job requirements. You should keep in mind that employees will no longer do three jobs for the compensation of one job. If you do that, they will move on to another employer, sooner rather than later.

Another good thing to keep in mind is to promote from within. If you show your employees that there are real opportunities within your organization, they may not be as quick to look elsewhere. Be sure to post your open positions internally regularly, and be sure all of your employees are aware of openings on a consistent basis.

Another way to retain the employees that you value is to provide a mentoring partner in your organization who can mentor them in their career path.

As mentioned previously, reward learning and skills development. Provide recognition to your employees and rewards (monetary or in-kind) to employees when they learn new applicable skills or gain additional knowledge.

Lastly, be present, and actively and intentionally connect with your employees. You should develop a frequent walk-through of the office, acknowledge people by name, ask casual questions to get to know more about the people who work for you and with you. *Show them that you know them, and show them that you see them!*

### ***Benefit Programs to Attract and Retain Talent at All Job Tiers***

In another session on January 24<sup>th</sup>, Marilyn Monahan and I discussed in detail the types of benefit programs that attract and retain talent at all job tiers. I'd like to share some of that with you in this article.

In a SHRM State of the Workplace Study for 2021-2022, the top 2021 Occupational Challenges included, in the top category, Labor Shortages, with approximately 85% of companies having them. In that same study, the highest number of responses indicated that employers need to increase benefits and compensation for current and/or new talent: "Offer more competitive wages to existing and loyal employees, and new talent." Also included in this were "Lower insurance costs, better compensation, leave policies, and work flexibilities." In addition, Metlife's

20<sup>th</sup> Annual US Employee Benefits Trends Study in 2022 stated that overall job satisfaction has reached a 20-year low, and loyalty continues to decline, particularly among women. “Concerns about job security, prevalent early in the pandemic, have been replaced by a sense of empowerment. Knowing that they are in demand, many workers are convinced they can find more attractive roles, opportunities, and compensation elsewhere.”

So, how can you best attract talent? According to these and other surveys, an employer must offer good medical and dental benefits that meet their needs and budgets. You can't assume that one size fits all, and all employees want the same thing. Offering only one medical and one dental plan may not put you on top of that candidate spreadsheet. It may, in fact, drop you to the bottom, because you're not attempting to meet their particular needs. It's important to understand that not all candidates want the same thing. If for example, you are looking for a new Vice President of Sales, and your top candidate is a healthy, athletic 30 year old single man that has sizable student loan debts still, and rarely sees a doctor, your very rich “Platinum” level plan may not be of interest to him. He may instead take a job from an employer that gave him 3 medical plan choices, and the one he chose was a “bronze level” medical plan, but he selected from the 3 dental plans offered a rich PPO dental plan with a \$2,000 annual limit, plus a Section 127 Educational Assistance Program, which could help him pay down his high cost student loan, and a strong 401(k) plan with matching employer contributions, because those are the benefits he was looking for.

The most wanted candidate for the new position of President you were looking for may not accept your job because he is in his late 40s, has a large family, 3 homes and several garages full of new vehicles. He wants a rich medical plan, rich dental plan, a disability plan, a good retirement plan with employer matching, and many ancillary benefits. Your high deductible health plan, with or without an HRA, HSA or Section 125 plan may not be of as much interest to him, particularly if that's all that you offer.

Your opening for a Production Line supervisor is a key position to keeping the company running smoothly. Your best candidate is a 52-year old man, slightly overweight, not very active, loves his weekends with football and beer. He is married with 1 child who is 16 and one who is 20 and is in college. He and his wife were most interested in saving money for the kids' college education. The job he chose over yours, which offered only a 70% medical plan, no company-paid dental plan and no retirement plan, was a job that offered a “gold-level” medical plan, a dental DMO with low copays, a 401(k) with matching, an FSA, and a Section 127 educational assistance plan.

If you're a hotel or a restaurant and have openings for restaurant workers, like waiters and waitresses, those employee needs may be different than your management staff. Your best candidate would be paid just above minimum wage but would receive good tips. She is a single parent, goes to college at night, age 25, healthy, with a 5-year old child with chronic allergies, who needs to have an EpiPen handy, just in case, and will need braces soon. You offered a high-benefit, but also a high cost from payroll deductions, medical plan, and a dental PPO plan without orthodontia that was also pricy from her perspective. The employer she selected, in lieu of you, is an employer who offered an enhanced silver plan with a high deductible, with a \$25 PCP office visit and \$10 generic drug copay, a DMO dental plan with orthodontia and no annual limit, an FSA with Child Care benefits, and a Section 127 educational assistance plan.

So what do these selections tell you, other than you missed out on some excellent candidates? Most importantly, that one size does not fit all, and limited benefit options will even more limit your pool of candidates.

We always suggest that you should perhaps view the ACA requirements for “affordability” and ask yourself if your benefits are truly “affordable” to the types of employees you need to hire. If you only offer a rich PPO and nothing else, although the government may say your contributions are “affordable,” are they really, to that job candidate? Or maybe they are affordable, but you're offering too rich a plan for that particular employee. What the pandemic and the aftermath of the employment world of 2023 is showing us is that you need many choices to attract and retain employees. If you can offer, for example, 3 different medical plans with varying benefits and payroll

deduction amounts, you can serve a much wider population of good candidates. If you have a “core” benefits plan and two buy-up plans, you may see more options that look good to potential employees. Your dental plan should also have options... Maybe a PPO plan and a DMO (dental HMO) option with ortho coverage, as the DMO would be more attractive to lower paid workers and those with kids needing a lot of dental care, while others may like the richer PPO, even though it will cost them more.

Another example: You only offer a region-specific HMO. This option will not be attractive to remote workers if they live out-of-the-area or out-of-state. Consider offering a second or third option with broader coverage.

With today’s inflation, employees are struggling. Employers need to be sensitive to this. Are your plans truly affordable to your lower-paid employees? Have your wages kept up with the cost of living in 2023?

“When you’re looking at true affordability for the employees, you can make an argument that making your plans cheaper, so that more of the employees will sign up, is a benefit to the employer...You’re going to have a healthier workforce. As I understand it, workers’ compensation claim costs, and therefore premiums, go down as more employees enroll in your insurance. So, it may seem like more of an outlay toward your health benefit costs, but there be could be other benefits down the line by structuring your contributions in a way that you maximize who is going to sign up for the coverage,” suggested Marilyn Monahan.

Employers need to listen to employees during interviews and see what candidates seem to be most interested in. Listen to your existing employees, listen to human resources, or do surveys. Maybe you are paying for benefits that no one is interested in, so it’s wasted money. If the majority of your workers do physical labor the majority of the week, a gym benefit may not be as important to that population (although it may be to the office staff). Pay attention to your demographics... If your population is over 40, orthodontia may not be needed. Having choice is the best thing you can offer.

Some candidates may hesitate to ask about your benefit package, so provide information about your benefits package up front. Marilyn Monahan shared these thoughts with me. “I have talked to young women who were hesitant to ask about maternity benefits, because they were afraid they would not be hired if their employer thought they might soon be taking maternity leave. I have also known people to be concerned about asking too many questions about health benefits, in case the employer would think they would heavily utilize the plan and cost the plan too much money, and that would weigh against them in the hiring process. Of course, not hiring someone on these bases is discriminatory and prohibited by law, but employees still worry about asking and then being turned down for the job. All the more reason for the employer to be up-front about what they offer.”

“Years ago I was a VP of HR for a company and the president, in his infinite wisdom, decided that everyone should go on Kaiser, because he was on Kaiser, and because at that time, Kaiser was the cheapest, and ***we had 47 resignations within an hour***, so what Dorothy is saying is absolutely true. It was removing the choice that made the difference. He wanted to drop the other option and put everyone on Kaiser,” commented Kathy Ruffino.

Importantly, you shouldn’t stop at just medical and dental benefits. Job candidates want more choices, more options, so that they can pick what they want, as they know if you don’t offer it, someone else will.

Consider, even if on a voluntary basis, vision, disability, 401(k) plans, as well as life, cancer and other voluntary options, and if you want to hire younger people in any job position, particularly high tech jobs, consider adding a Section 127 Educational Assistance Program, as many young people are carrying heavy student loan debt, or continuing to finish college part-time, and would appreciate the tax-preferred benefits under Section 127.

A Section 127 Educational Assistance Program is an effective way to attract younger and high-tech employees, particularly, but they are helpful to many. An amendment to Section 127—passed during the pandemic—allows employers to set up Educational Assistance Programs that reimburse either tuition or qualified student loan debt tax-free to the employee. “The total contribution an employer can make is a maximum of \$5,250 per year, for both

tuition or student loan debt,” stated Marilyn. “If you have a workforce that is carrying a lot of student loan debt, you can pay up to \$5,250 per year. At the federal level, that is tax free to the employee. California has not passed a conforming bill, but there are still benefits on the federal side.” You need a separate plan document to offer this type of plan, and there are some hoops to jump through, but they are generally worth it. The tax benefit runs out at the end of 2025, but it is possible Congress could extend the benefit beyond that date. The popularity of this benefit is huge, particularly with this inflation. If you’re not offering one, you should talk to a benefits expert to help you set one up.

Other benefits that are polling well now include adoption assistance, fertility benefits, long-term care, parking benefits, child-care options (even if only a subsidy or reimbursement through a section 125 cafeteria plan), gym memberships, cancer, critical illness, short- and long-term disability, and of course, educational assistance programs.

Another benefit that has been popular lately is pet insurance. “Employers can’t subsidize it or offer it on a group basis, but by offering it they can make it easier for the employee to locate and sign up for it,” commented Marilyn.

If you don’t think these plans are affordable to you, you should talk to a qualified broker/consultant that can walk you through how you can offer these types of plans on a cost-effective basis. You may be able to use alternate funding arrangements to lower your costs considerably, so speak to an expert on self-funding, level funding and other alternate funding arrangements.

Most importantly, you need to pay attention to what is happening in the employment world right now, and if you want to fill those 20+ jobs that are open, you may need to adjust your thinking a bit and conform to what is happening today.

Happy job-filling! ##

*Author’s Note: I’d like to thank Marilyn Monahan ([marilyn@monahanlawoffice.com](mailto:marilyn@monahanlawoffice.com)) and Kathy Ruffino ([kathy@trainmetoday.com](mailto:kathy@trainmetoday.com)) for their assistance with this article. You can find out more about all of these things by reviewing our recorded sessions from January 24, 2023’s Lunch & Learn program, on our website at [www.advancedbenefitconsulting.com](http://www.advancedbenefitconsulting.com) on our Empowered Education Center, with on-demand video education programs, or by listening to our podcast series, the Benefits Executive Roundtable, found on all podcast platforms. You can also reach the author, Dorothy Cociu, at (714) 693-9754 x 3, or by email at [dmcociu@advancedbenefitconsulting.com](mailto:dmcociu@advancedbenefitconsulting.com).*