



GETTING PERSONNEL

In a Job Seeker's Market, Companies Turn to Search Firms for Help in Hiring and Holding On to Workers



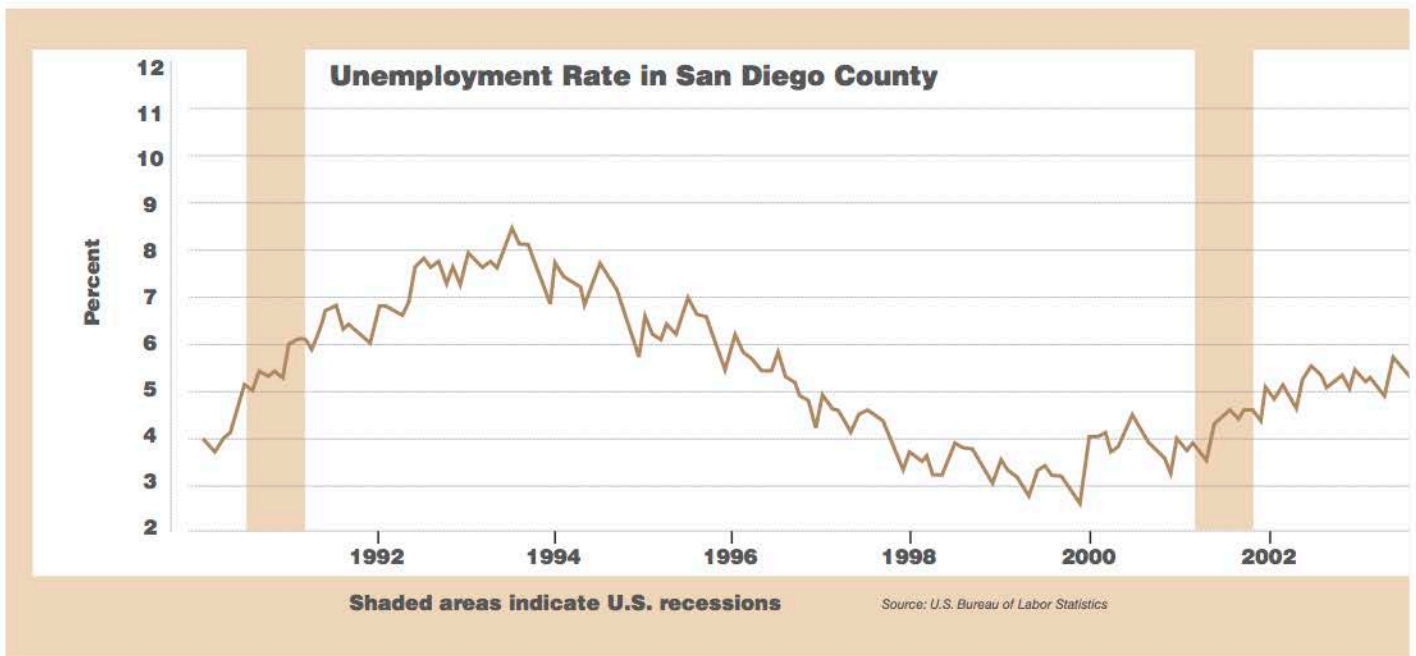
BY RAY HUARD

Need workers? Finding them could be tough. There are more jobs than there are qualified people to fill them, San Diego companies are offering an array of perks to get and keep workers, and businesses are turning to search firms to refine their pitch and to recruit and retain people. "There's actually a huge talent crisis

going on," said **Robin Toft**, president and CEO of **Toft Group Executive Search**. "We have a crisis and search firms are really busy as a result of that." Her firm specializes in finding people to work in biotech and pharmaceuticals, but search firms that recruit workers for everything from accounting to engineering jobs report similar issues. "It is an employee's market right now," said **Phil Blair**, executive officer

of **Manpower San Diego**. "In the depths of the recession, our customers could be very demanding," Blair said. "One time, a financial company wanted a receptionist and they asked for one with a MBA (master of business administration) and they could, because there were MBAs out of work." Those days are over, said Blair and others. Instead of job candidates tailoring

their resumes to fit what companies want, companies must now spruce up what they're offering if they expect to find the workers they need. At 3.3 percent, unemployment is nearing record lows in San Diego, according to the state **Employment Development Department**, and there's no sign that it will rise in the coming months, said **Lynn Reaser**, chief economist at the **Fermanian Business**



& Economic Institute of Point Loma Nazarene University.

Since 1990, unemployment reached its lowest level of 2.6 percent in December 1999 with a peak of 11.1 percent reached in January 2010 and again in July 2010.

“Unemployment should remain low until the next recession, which seems unlikely before 2020 or 2021,” Reaser said “As a result, problems finding workers will remain a key problem for some time.”

Wage Increases

Innesa Burrola, president of **Boutique Recruiting**, said she’s seeing a particularly acute demand for workers in construction, real estate, accounting, financial management, contract administration, and nonprofits.

Companies that in the past may have relied on temporary workers also are looking for permanent workers, and job candidates who want temporary work can be choosier, Manpower’s Blair said.

Workers who start as temps also are being kept on full-time more often, he said.

“We have customers that we keep feeding them people, and at the end of three months or six months, they hire them permanently,” Blair said. “We, in effect, become their human resources department.”

He said about 42 percent of Manpower’s temporary workers wind up with permanent jobs in this market.

San Diego’s low unemployment rate means companies must pay more, offer perks like flex time, tuition reimbursement and even unlimited personal time off — what used to be vacation and sick time.

Reaser said she expects San Diego wages to jump 2.5 percent to 3 percent for most workers in 2018 with key personnel getting raises of 4 percent.

That’s in keeping with what some recruiting firms are seeing already.

“The pendulum started to swing back toward the (job) candidate side two years ago,” said **Ken Schmitt**, CEO and founder of **Turning Point Executive Search**. “It really accelerated in 2016 and continues in 2017.”

Until now, wages have been slow to rise, but Schmitt said he expects that



Photo by Melissa Jacobs
Phil Blair, executive officer of Manpower San Diego, said his business is booming as companies turn to search firms for help in recruiting workers.

to change in 2018.

Already, Schmitt said people he’s placed are commanding salaries at the top end of what they sought.

“My sense is that the demand and supply is in a spot where those wages will have to rise more significantly,” Schmitt said.

Hiring for Attitude Not Aptitude

In addition to offering higher wages and perks, companies must change the way they recruit and do business, especially if they aim to appeal to the millennial workforce, recruiters said.

“In biotech, we have a pattern of the old school leadership that could be command and control,” said Toft of the Toft Group Executive Search.

That can be off-putting to many of today’s job candidates.

Instead of listing a specific set of technical skills job candidates must have, companies would do better by looking for people with soft skills — who can work collaboratively, communicate with others, and are flexible, Toft and other recruiters said.

The technical skills can be learned later, they said.

“It’s better to hire for attitude, not aptitude,” Schmitt said. “You really have to look beyond the hard skills,

what is their thought process.”

Employers also should consider modifying job descriptions, breaking up tasks and assigning some of the more skilled work to the staff they have and giving less complicated work to people they hire for entry level positions, with an eye toward training and promoting the new hires, recruiters said.

“People want to feel like they’re valued, they’re trusted,” Toft said. “Those things can really make a difference.”

Toft said companies must be ethnically diverse in their recruiting, gender diverse by making a concerted effort to add more women to the workforce, and age diverse.

“When we speak about age, it’s not just getting the millennials into the workforce, it’s keeping people who want to work,” she said. “They’re the talent.”

Toft said the new reality has yet to sink in with some company executives.

“They have blinders on and they want to believe there’s an unlimited pool of talent,” she said. “They just think HR (human resources) is not doing a good job of attracting people.”

Working on Retention

Keeping workers can be just as challenging as recruiting them in this environment, recruiters said.

Communication is the key, they said.

“You’ve got to sit down and talk to your employees, where the company is headed,” Schmitt said. “That kind of communication is (a) very easy way to boost your retention.”

Part of that means replacing the traditional annual evaluation with regular one-on-one sessions with workers, at least quarterly, and preferably more often, said **Seth Stein**, president of **Eastridge Workforce Solutions**.

Workers who don’t know where they stand in a company, or don’t see a path for advancement are more likely to leave.

Trevor Blair, principal and founder of **Blair Search Partners** and the son of Phil Blair, said that unlike what’s happening in other fields, the unemployment rate isn’t affecting the nonprofit field, which is his specialty.

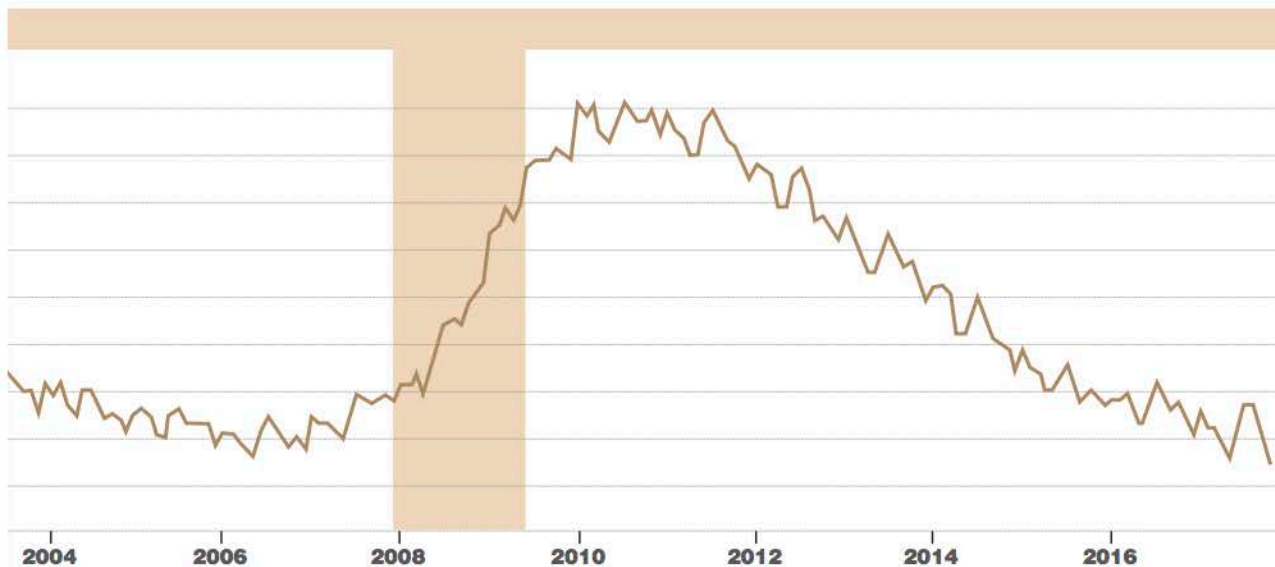
“The positions we recruit for are always in demand, whether unemployment is at 3 percent or 10 percent,” Trevor Blair said. “Every nonprofit needs good development people, no matter what is happening in the rest of the economy. It’s kind of a different animal from the rest of the job market because it’s so highly specialized. The demand has always been strong and I think it will continue to be strong.”

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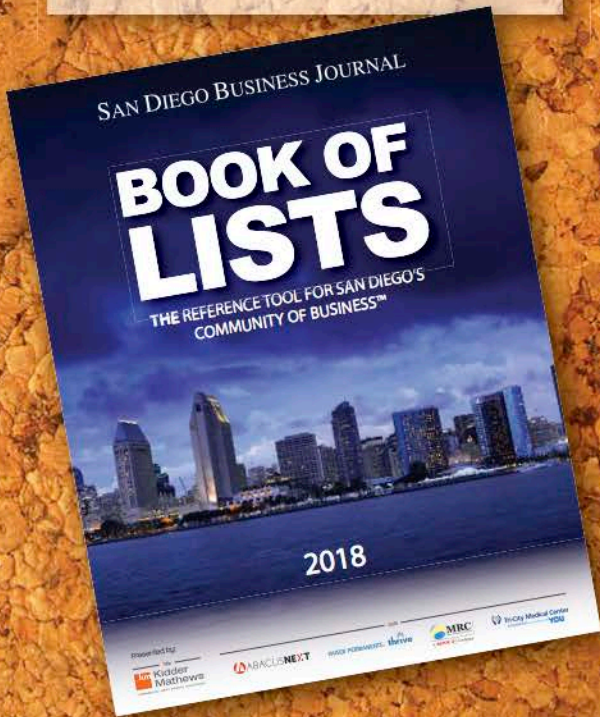
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Amenities Deliver Message to Job Seekers That Cos. Care

By RAY HUARD

When **HM Electronics (HME)** decided to move from Poway to new quarters in Carlsbad, it designed the hilltop offices to serve in part as a tool for recruiting and retaining workers.

There's a fully-staffed fitness center, a meditation room, and an activity center with Ping-Pong tables, shuffle board and board games.

There's an outdoor basketball court, bocce ball courts and a rooftop deck with breathtaking views of the Pacific Ocean.

On top of that, HME has raised salaries and beefed up its benefits package.

Despite all of that, finding qualified workers has been difficult, especially with San Diego's unemployment rate near record lows at 3.3 percent, said **Jack Farnan**, HME vice president of human resources.

"It's really hard to imagine," he said. "Several years ago, if somebody would have said we'd be looking at 3.3 percent, they would have been called fools."

Since 1990, the lowest San Diego's unemployment rate has ever been was 2.6 percent in December 1999. The highest was 11.1 percent in January and July 2010.

HME is a diverse group of companies that designs, manufactures, sells and services specialized communications, audio and software products for a variety of markets, according to its website.

Technical Talent Search

"In San Diego, finding good technical talent is difficult, and we are competing

with a lot of outside companies for that same talent," Farnan said. "It's become very challenging."

HME has an internal recruiting team staffed with experienced recruiters, but the company also has turned to an outside search firm to help. Farnan said the company plans to hire about 200 people this year.

"Even when the unemployment rate is high, it's tough finding skilled, experienced people with the right work ethic and the right work attitudes that are going to fit the culture," Farnan said. "It's truly an employees market now. It's probably been that for a good year, if not two years, especially in the technical areas."

Inside Advancement Opportunities

The amenities which HME has in its new offices help, even if workers don't use many of them, because they send a message that "this is a company that cares," Farnan said.

"In the war for talent, I think the best one can do is send messages to employees, to the marketplace," he said.

In addition to the perks of new offices, pay, and benefits, Farnan said HME emphasizes training it offers and the chance for workers to advance their careers within the company instead of looking elsewhere.

"At the end of the day, regardless of the generation of the workforce that you're talking about, employees want to do good work, they want to grow their careers, they want to learn new skills, and they want to make a contribution," Farnan said.

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