

Human Resources Benchmarking Overview





Introduction

In early 2021, employers across the country were surveyed about various employee benefits and human resources topics, and roughly 150 employers responded to the survey. The respondents were from various industries, including manufacturing, construction, finance, insurance and real estate. Within human resources, employers were surveyed on a number of topics, such as paid time off (PTO), compliance, attraction and retention.

These employer responses provide insight into common workplace trends and challenges facing organizations and how employers respond to those challenges — many of which have been exacerbated by the COVID-19 pandemic. This article compiles employer responses to these prevalent topics and provides some general takeaways.

Paid Time Off (PTO) Takeaways



Most Employers Offer PTO, Program Details Vary

Flexibility has been a top demand of employees during the COVID-19 pandemic, and PTO remains a topic that is top of mind for employees who value generous policies. On the employer side, results found that most surveyed employers (**99%**) offer PTO in some capacity, though how much PTO is offered and details surrounding organizations' PTO programs vary.

Employers who offer PTO provided a range of their offerings, which varied from zero to five days (**9%**) to unlimited (**1%**). The most common PTO offering reported was 11 to 15 days, with **28%** percent of employers reporting they offer PTO in this range. In terms of what type of PTO employers offer, there also is some variance. Half of the employers indicated they use a PTO bank (i.e., all time off comes out of this category, including sick days and vacation), while most others (**47%**) categorize vacation time and sick days in separate categories. These findings suggest that while most organizations offer this benefit to employees, employers must determine how much PTO to offer and how to administer the program.



Some Employers Considering PTO Changes

Within PTO, employers have several topics to review — and some organizations are considering changes to their program. When asked if they were currently evaluating a change to their PTO program, **14%** of all respondents reported they are evaluating a change, though notably, C-suite and owner respondents reported being more likely at **29%** to consider a change. This higher response rate from C-suite and owner responses could indicate that decision-makers recognize the current state of employee desires, as generous PTO policies remain a highly-requested benefit for today's workforce.

Respondents evaluating a change to their PTO program could be indicating a wide array of potential changes. In addition to altering the amount of time offered, PTO program revisions could also include PTO accrual changes, such as a rolling basis (based on individual hire date) or static basis (same date for all employees [e.g., Jan. 1]), or different types of PTO offerings, such as using a PTO bank or categorizing vacation time and sick days separately. These can be impactful decisions, and notably, sick leave has been a topic of focus for employers during the COVID-19 pandemic.

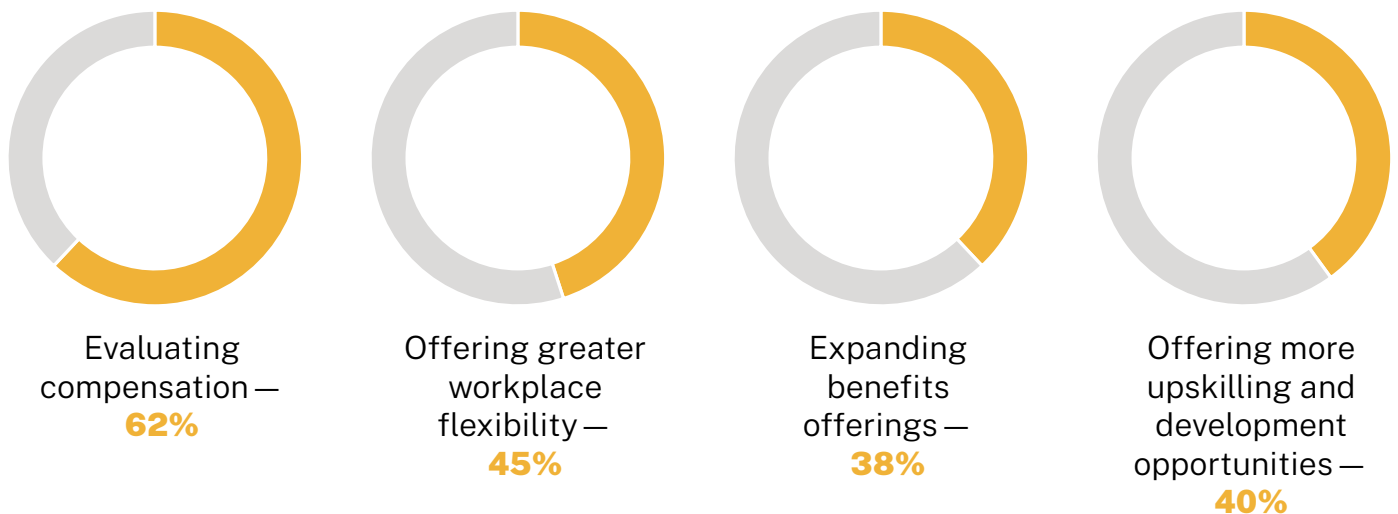
Attraction and Retention Takeaways

Attraction and Retention Are Common Challenges for Employers Today

Employee attraction and retention have become major obstacles for a majority of employers, with two-thirds (**67%**) of respondents listing these topics as at least somewhat of a challenge. Interestingly, this number comes at a time when high unemployment rates associated with the COVID-19 pandemic have gradually eased. In the return-to-work employment market, employers face several unique employment challenges, such as dealing with high attrition levels, meeting employees' current desires and recruiting candidates with the right skill sets. In some cases, organizations are even receiving a high quantity of applications for open positions. However, these applicants don't always have the right skills and experience for the organization's roles.

Employers Are Revisiting Compensation, Benefits, Flexibility and Development Opportunities

To attract, retain and engage employees in today's employment market, employers are exploring a variety of strategies and tactics to address current challenges. Employers were asked which strategies they are exploring, and the most common selections were:



These responses suggest that to some extent, employers' strategies have been adjusted to align with employee desires in the current employment market, as the workforce commonly desires flexible work options, competitive benefits and career development opportunities. Remote or hybrid opportunities, flexibly scheduling, and generous time-off policies are top requests of employees, who often desire these flexible options to address their personal and caregiving responsibilities. In addition, many employees are intrigued by career growth opportunities rather than short-term employment. Employers exploring more upskilling and development opportunities could suggest that some organizations are striving to meet this demand by offering these opportunities, which can often be mutually beneficial for employees who desire career growth and organizations that want to prioritize upskilling and retention.

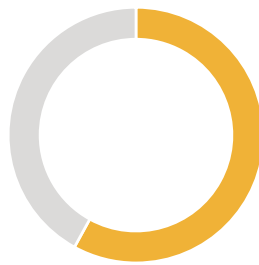


Addressing Recruiting Challenges Through Online Initiatives and Referral Programs

To learn more about which strategies organizations are currently using to address recruiting challenges and attract employees, employers were asked which of the following their organization is using as part of their recruiting strategy. Here were the most common selections:



Building a presence on job websites — **51%**



Expanding a presence on social media — **58%**



Offering an employee referral program — **50%**

Employers are utilizing a variety of strategies to aid in recruitment. The results suggest that in addition to leveraging their current workforce to aid in recruiting through referral programs, employers are focusing on expanding their online recruiting reach. When recruiting for both remote and onsite positions alike, the use of these digital strategies signals a trend that employers are focusing on forward-thinking ways of recruiting a workforce that is increasingly adept at using online channels.



Compliance Takeaways

Paid Leave, General Health Care Among Compliance Top Challenges

Compliance requirements have evolved quickly over the course of the pandemic. Organizations have struggled to keep up to different levels, and there have been some topics that are particularly challenging in today's environment. For example, around one-third (**35%**) of employers responded that they struggle to keep up with updating policies and procedures. Some specific topics challenging employers include paid leave (**24%**), general health care compliance (**27%**), employee classification (**21%**) and data security (**27%**).

Due to the impact of federal, state and local laws and guidelines, and individual conditions surrounding an organization's operations, the most challenging compliance topics for each employer will vary. When planning how to keep up with these changes, it's worth considering how to effectively stay up to date with current compliances and establish processes to meet changing requirements on an ongoing basis.

Conclusion

These survey results suggest that COVID-19 continues to have an impact on several human resources topics. While traditional issues like PTO and compliance remain top-of-mind, it is also notable that attraction and retention have become major issues. While these challenges persist, the good news is employers can take steps to retain their top talent, attract new employees, improve employee engagement and support employees. The best strategies will vary by workplace, as employers are tasked with balancing the needs of their organizations and the desires of today's workforce.

While workplaces have unique circumstances and obstacles, many of today's challenges pertain to a majority of organizations. Employers can stay one step ahead by understanding what challenges are pressing in today's work environment and monitoring trends for how organizations utilize resources to respond effectively and meet the unique needs of their workplace.