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Media Contact

Employers Association of the NorthEast: Mark R. Adams, Director of HR Services

madams@eane.org | (877) 662-6444

**Employer Associations of America 2017 National Business Trends Survey
Businesses are Optimistic for 2017 but Must Overcome Employee Recruitment Challenges**

AGAWAM, MA (Dec. 7, 2016) – Employer Associations of America (EAA) released its **2017 National Business Trends Survey**. Despite strong optimism, employers continue to face economic challenges relating to talent recruitment. Sixty-two percent of employers reported recruiting is becoming more difficult with **31%** indicating dissatisfaction with their current recruiting efforts. The problem is critical as **32%** indicated they had hired slightly to significantly more than planned in 2016, and for 2017, **48%** of employers reported plans to increase staffing, with talent acquisition remaining a top priority. The positions most difficult to recruit include skilled production workers, professional workers and high potential middle managers, while the most difficult to retain are entry-level workers.

“The real story here is how employers are overcoming recruitment challenges,” according to EAA Board of Directors Chair, Michael Severns. “Employers need to be very creative in their recruiting efforts, especially in an age where candidates have more power than ever before.”

Compounding the recruitment challenges, survey respondents reported concerns over wages, benefit costs and skilled labor shortages. When asked about serious short-term business challenges (within the next year) and long-term challenges (within the next five years), these were the top four:

Survey Respondent’s Serious Concerns	Short-term % of response	Long-term % of response
Skilled labor shortage	41%	50%
Ability to pay for benefit costs	37%	56%
Cost of regulatory compliance	37%	47%
Ability to pay competitive wages	33%	44%

Employers report varied strategies to overcome both recruitment and retention concerns. The top three strategies for both include adjusting pay ranges upward, and focusing on existing staff retention in jobs where recruitment is difficult. The third top strategy focuses on training, for recruitment, filling jobs with existing staff that lack job skills but have potential to learn, and for retention, providing additional training and development to current employees.

Other notable Survey data showed **76%** of business owners expect their 2016 overall business results to be the same or better than 2015. Executives also felt strong optimism for 2017 as compared to 2016

with **89%** indicating overall business results will be the same or better in 2017. Even though wages and benefits remain challenging, **81%** of organizations increased wages in 2016, with **35%** paying variable or bonus awards. **75%** of employers plan to increase wages in 2017, with **34%** looking at variable/bonus pay.

“Today’s employment candidates have so many more choices and tools. If employers want to remain competitive in their efforts to secure top talent, they need to adjust their strategies,” says Severns. “Our National Business Trends Survey allows executives to make data-driven decisions and it provides comparative information on how executives plan to approach business challenges in 2017.”

The EAA is a not-for-profit national association that provides this annual survey to business executives arming them with insights and trends for business outlooks, business investment plans, staffing levels, hiring plans, job creations, pay strategies and business challenges. The 2017 Survey included 1,270 participating organizations with responses covering 2,104 employer locations throughout the U.S.

About Employer Associations of America

The Employer Associations of America (EAA) consists of 34 regional employer associations serving 35,000 companies and more than six million employees. Regional employer associations are dedicated to serving their members as trusted partners that help members maximize the performance of their employees and their organization through business expertise in compliance, recruitment, retention, surveys, safety, training, and organizational development. EAA’s mission is to advance a national presence and to promote local success among members through unparalleled collaboration, excellence, and efficiency. To learn more about the EAA, visit <http://www.eaahub.org>.

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