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FOR IMMEDIATE RELEASE

Survey: Challenger Hiring Report

OVER 82% OF COMPANIES ARE HIRING, WITH MOST HIRING HR; NEARLY 80% HAVING TROUBLE FINDING WORKERS

CHICAGO, June 18, 2019 – As the second half of the year begins, over 82% of employers report they are actively hiring for open positions. However, 80% of those employers are having trouble finding candidates, with 70% reporting a skills shortage, according to a survey released Tuesday by global outplacement and executive and business coaching firm Challenger, Gray & Christmas, Inc.

The survey was conducted over three weeks in May and June among 150 human resources professionals at companies of various sizes and industries nationwide.

“The tight labor market typically means workers have their pick of jobs. This survey suggests that while opportunities abound, employers are looking for select skill sets and having trouble finding qualified talent,” said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

Of those surveyed, 43% of employers reported that while they have plenty of applicants, those who apply do not have the requisite skills. Another 43% of employers reported that they are not receiving enough applicants, 27% of whom said the candidates who do apply are not qualified.

“This presents a difficult situation for hiring managers who need to fill positions. It’s far more costly to hire someone who does not have the requisite skills and who will potentially only last a short time than to wait for the right person to come along,” said Challenger.

In separate studies from Glassdoor and the Society for Human Resource Management (SHRM), the cost of hiring someone in the United States is around \$4,000, according to Glassdoor, or over \$4,100, according to SHRM’s calculations, as well as nearly two months of lost time. The cost of turnover for that person could be up to six to nine months of the employee’s salary, according to SHRM.

“Onboarding someone who does not have the necessary skills to operate in the position sets that person up for failure. The untallied costs include the cost to productivity and the hit to morale, not only to the person who is not up to the task, but also that person’s colleagues, who now may have to work harder,” said Challenger.

The Challenger Survey found 83% of companies are hiring mid-level professionals, including supervisors and managers. Another 74% are hiring entry-level workers, while 61% are hiring for the director level to the C-Suite.

“This is good news for recent college graduates or those who are just starting out in their careers. It’s also a boon to workers who have experience, but may feel stuck at their current companies,” said Challenger.

According to the Job Openings and Labor Turnover Survey (JOLTS), hiring edged up to 5.9 million in April, the most recent month for data, from 5.7 million in March. Meanwhile, the quits rate, which measures workers who voluntarily leave their positions, was 2.3% in April, up from 2.2% in the same month last year.

The majority of respondents are hiring HR professionals (50%), while 42% are hiring general laborers/assembly workers. Another 32% are hiring IT professionals, including network administrators, while 21% are hiring software developers. Another 32% are hiring marketers, public relations professionals, writers, and content creators.

When asked for which departments companies are hiring, 67% reported they were hiring in operations, while 53% are hiring in their sales departments. Half of respondents reported they are hiring in their HR departments, while 43% are hiring for their marketing departments.

“The high number of companies who are hiring HR professionals are likely responding to the increased need to manage talent in light of meaningful developments, such as #MeToo, as well as various state and federal regulations on what constitutes an employee, which benefits companies must offer, and what companies need to do to comply,” said Challenger.

“This together with the need for companies to actually find qualified talent means HR professionals are in high demand,” he added.

The majority of companies (71%) use an internal hiring function and employee referrals to find talent. The next most-used mechanism to find talent is LinkedIn, with 65% of companies reporting they use this site to find candidates, followed by Indeed with 56%.

“While an increasing number of companies use online tools to find candidates, it remains true that the single best way to land a new position is through in-person connections. Companies continue to use referrals and internal networking to find talent,” said Challenger.

“The importance of having a robust LinkedIn profile cannot be understated. Professionals need to make sure they not only create a presence on that site, but build their networks, include key words relevant to their industries, post industry- or role-specific content to help build their brands, and regularly interact with contacts to be seen by recruiters,” he added.



Challenger Hiring Survey Results

Are you currently hiring?

Yes, we have openings throughout the company.	63.04%
Yes, we have openings in specific departments.	19.57%
No, we are not currently hiring.	13.04%
No, we will be hiring in the future, but are not right now.	4.35%

Are you having trouble filling open positions?

Yes, we have plenty of applicants, but they do not have the requisite skills.	43.3%
Yes, we are not getting many applicants, and those who do apply are not qualified.	26.7%
Yes, we are not getting many applicants.	16.7%
No, we have plenty of applicants with the requisite skills.	13.3%

For what level(s) are you hiring?

Manager/Supervisor	83.3%
Entry-Level	73.3%
Director	46.7%
President/VP/SVP/EVP	10.0%
Other	6.7%
C-Level	3.3%

If you are hiring for certain roles, please select all that apply.

HR Professionals	50.00%
Assembly Workers, General Laborers	42.86%
IT/Network Administration	32.14%
Marketers/PR Professionals/Graphic Designers/Writers/Creative Talent	32.14%
Financial Professionals	28.57%
Administration Staff	25.00%
Software Developers	21.43%
Attorneys	14.29%

How do you typically find talent?

Internal Recruiting Function/Employee Referrals	70.59%
LinkedIn	64.71%
Indeed	55.88%
Other Online Job Boards	47.06%
College/University/Trade School Fairs	32.35%
Glassdoor	26.47%
Facebook	23.53%
Contingency Search	20.59%
Recruiting Firms	17.65%
Other	11.76%
SimplyHired	8.82%
Retained Search	5.88%
An Outsourced Recruitment Process	5.88%

Source: Challenger, Gray & Christmas, Inc. ©