

# HR Hot Topics – 2008

## 2008 RESULTS

What human resource issues are most common in Northeast Ohio this year? In January of 2008, 38 organizations revealed the most pressing issues they are facing in their human resource departments or functions. Among the most predominant trends found in the study were:

- Organizations continue to rely on internet and intranet applications for recruiting activities.
- Background screening plays a fundamental role in good hiring decisions.
- Employees are bearing more health care expenses as a result of increasing insurance costs.
- Managing employee performance remains a critical issue for many organizations.
- Organizations are expected to invest more in training and development initiatives including supervisory and leadership training and development. For half of organizations, succession planning is a critical challenge.
- Despite a bleak economic forecast, Northeast Ohio employers plan to employ **more** employees this year than last year.
- Low rates of outsourcing are being reported not only for employment, but also for parts of businesses are also prevalent. Only 14% of organizations surveyed reported that they planned to outsource functions of their employment and/or business.
- The war for talent is causing organizations to enhance their compensation and benefits packages.

## Exhibit 1: HR Topics by Highest Percentage of Agreement

HR Topic	Percent Agreement
The Internet and Intranet are critical tools in the HR department for recruiting.	92%
Background screening helps our organization make good hiring decisions.	87%
When granting wage increases, we place more emphasis on performance than cost of living.	87%
We use a traditional discipline system (i.e. warnings, write-ups, probationary periods, etc).	82%
Employees must bear more of their health care expenses as a result of increasing costs.	79%
Managing employee performance accurately is a critical challenge at our organization.	74%
I am confident in my understanding of FMLA regulations.	74%
We plan to focus more on supervisory training and/or leadership development in 2008.	69%
Participating in wellness programs provides an incentive for our employees to decrease their health-care costs.	66%
We expect to employ more employees in 2008 than in 2007.	63%
We plan to increase employee training and development initiatives in 2008.	61%
The war for talent is forcing us to increase compensation & benefits.	61%
Alternative work schedules are gaining in popularity.	61%
Succession planning is a top challenge at our organization.	54%
We are planning to expand our employee programs in 2008.	50%
We plan on implementing more online sourcing of job candidates in 2008.	49%
It is necessary to offer incentives/bonuses to lower-level positions today to be successful in attracting and retaining employees.	46%
Our organization will lose a significant number of employees when our baby-boomers retire.	43%
Our business is demanding more use of HR metrics to prove our programs are positively impacting the organization.	43%
Email and internet usage are monitored frequently at our organization.	43%
We require employees to sign off stating they understand our policies/procedures (e.g. harassment, complaint, ethics) at their annual review.	43%
We ask new employees to evaluate our orientation program.	40%

Interns are our best prospects for new employees.	33%
We have experienced difficulty determining whether a disability is covered by the ADA.	33%
We have recently updated our policy/procedure on electronic recordkeeping.	32%
We experience difficulty classifying employees as exempt or nonexempt.	32%
Our employees make educated, consumer driven decisions regarding their healthcare coverage.	31%
New employees entering the workforce are increasingly difficult to manage.	30%
We are implementing more knowledge sharing programs to help retain the knowledge of our older workers.	30%
We have seen an increase in the number of unscheduled absences.	30%
We are using short term incentives to motivate performance.	27%
We plan to implement a new HRIS (HR Information System) in 2008.	24%
We plan on expanding our employee benefits package in 2008.	24%
Workers compensation claims are a growing problem at our organization.	22%
We plan to institute some form of validated instrument to select employees in 2008.	17%
We find it difficult to make reasonable accommodations for those employees with disabilities (mental or physical).	16%
We provide less severance compensation now than we did five years ago.	16%
We plan to outsource more of our employment in 2008 than we did in 2007.	14%
We plan to outsource parts of our business in 2008 to decrease costs.	14%
We are having trouble enforcing the new rules on safe harbor procedures regarding immigration.	3%

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www.ercnet.org  
 www.northcoast99.org  
 www.erchealth.com

6700 Beta Drive, Suite 300 / Mayfield Village, OH 44143  
 phone: 440/684-9700 • fax: 440/684-9760  
 email: hrhelp@ercnet.org; surveys@ercnet.org