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**2018 National Business Trends Survey Shows
 Continued Business Optimism Tempered by Talent and Pay Challenges**

AGAWAM, MA (November 20, 2017) – Employer Associations of America (EAA) has released the results of its **2018 National Business Trends Survey**. According to the survey results, many businesses continue to have an optimistic outlook for 2018 and are preparing for a positive year ahead. When looking at their own business results, 62% expect their 2017 sales/revenue to be slightly or significantly better compared to 2016. Continued optimism prevails as 73% of executives project slight to significant increases in sales/revenue for 2018. However, that optimism is tempered by several serious challenges to business growth. The top challenges include: a shortage of both skilled labor and professional/technical staff, and the ability to pay competitive wages and benefits.

Recruitment and Retention Challenges

The good news is employers are hiring, with 38% hiring more than planned in 2017 and 76% of executives indicating that hiring in 2018 will be due in part to newly created jobs. With 68% reporting that difficulty in recruitment is escalating, employers cite a lack of available candidates (59%) and market competition (40%) as their primary challenges. Employers have addressed these difficulties in several ways:

What strategies have you implemented to overcome “recruitment” challenges?

Increasing starting salaries	56%
Using temporary agencies, staffing agencies, or external recruiters	54%
Starting/increasing use of social media for recruiting	50%

What strategies have you implemented to overcome “retention” challenges?

Adjusting pay ranges upward	59%
Focus on staff receiving additional training/development	55%
Focus on staff retention in jobs where recruitment is difficult	44%

“With recruiting and retaining talent challenges facing businesses today, the ability for employers to creatively respond to the market conditions becomes essential, but it’s also an opportunity for businesses to differentiate themselves,” states Bruce Clarke, EAA Board of Directors Chair.

Pay Challenges and Strategies

As in 2017, the spotlight in 2018 will be on competitiveness of pay to address both recruitment and retention challenges. In 2017, 82% of employers increased wages, and for 2018, 77% are already planning increases, while 43% are planning to use variable/bonus awards. The national attention on pay equity also has resulted in approximately one fifth of companies taking action by conducting pay audits, external compensation market analysis and/or establishing formal compensation structures.

Top Strategies for 2018

In preparing for 2018, companies report implementing the following measures: investing in new technology (54%) and equipment (51%), increasing their recruiting emphasis (40%), and increasing their training budget (30%).

According to Clarke, “The key message is how companies develop successful strategies to address the market challenges and create advantages for their organization. This National Business Trends Survey provides the critical comparative information executives need to make data-driven decisions so they can confidently approach business issues in 2018.”

Survey Information

The EAA is a not-for-profit national association that provides this annual survey to equip business executives with insights and trends for business outlooks, business investment plans, staffing levels, hiring plans, job creations, pay strategies, and business challenges. The 2018 Survey included 1,528 participating organizations, with responses covering 2,741 employer locations throughout the United States.

About Employer Associations of America

The Employer Associations of America (EAA) consists of 33 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>.