

The Overlooked Barrier to Supply Chain Hiring

About the Survey

The Supply Chain Hiring: Navigating the Next Normal was conducted by national market data services firm Dynata on behalf of Hire Dynamics. The online survey of 139 hiring decision-makers within the manufacturing, trucking/warehousing, and transportation industry across the United States was conducted in August, 2021.

Introduction

screening & hiring process biggest barrier to supply chain hiring

With each release of the monthly jobs report by the Bureau of Labor Statistics, it is clear that the COVID-19 pandemic is still very much in the driver's seat of the U.S. economy. However, for supply chain employers, the general picture is one of progressive recovery and growth. Warehouse jobs and employment has more than doubled from 2011 to 2021, and as US manufacturing activity is surging and creating new jobs, the industry has more than half a million job openings.

Much of the continued surge in job demand can be attributed to the aggressive and unwavering growth of e-commerce which began even before the pandemic but has skyrocketed ever since. As e-commerce sales reach record levels, the labor-intensive processes of picking, packing, and shipping require supply chains to hire more workers.

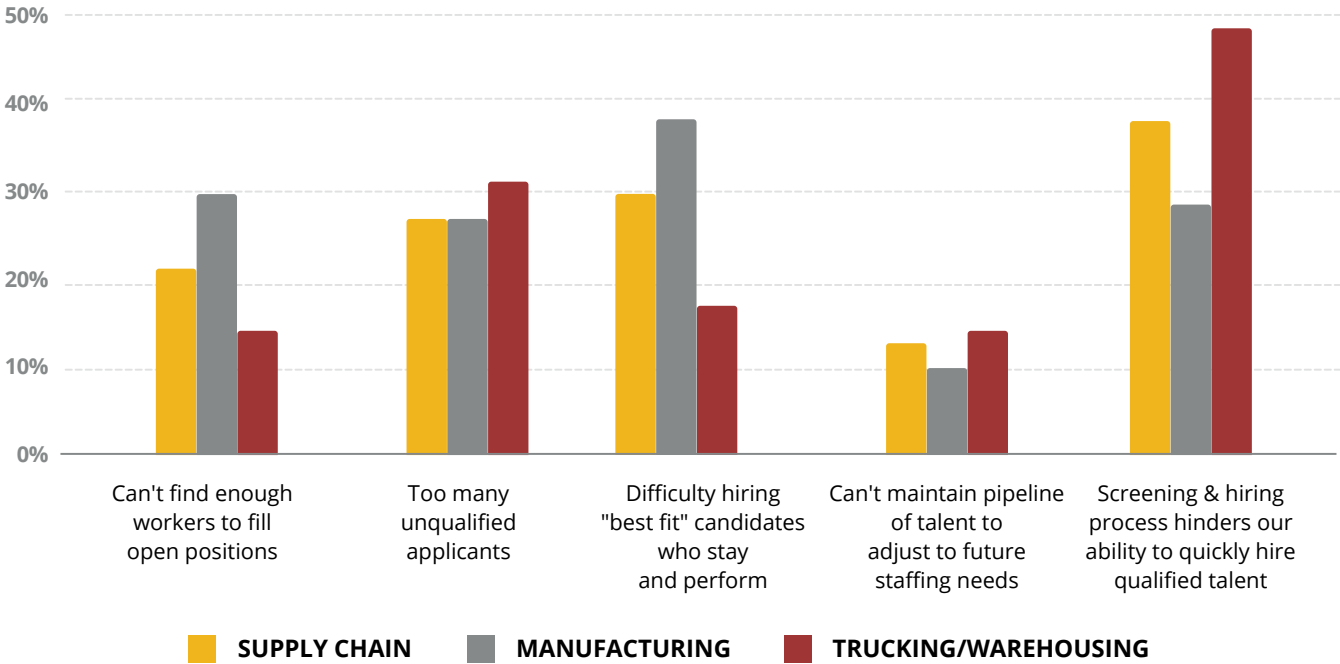
There is no shortage of studies, reports, and anecdotal evidence highlighting the sheer challenge supply chain employers face in simply finding enough workers. However, *The Supply Chain Hiring: Navigating the Next Normal*, conducted by national polling firm Dynata on behalf of Hire Dynamics, uncovered an often-overlooked aspect greatly hindering supply chain employers.

Screening & Hiring Process Named Top Recruitment Challenge for Supply Chain.

The supply chain sector needs more workers, period. The Bureau of Labor Statistics has estimated that the industry needs to fill about 1.5 million jobs through 2022. However, demand for supply chain talent outpaces supply six to one. The biggest barrier, however, for many supply chain employers is in getting the screening and hiring process right.

When supply chain employers were asked to identify the biggest recruitment challenge in today's market, "our screening and hiring process hinders our ability to quickly hire qualified talent" was named as the most pressing challenge – ranking 2X higher than "we can't find enough workers to fill open positions."

The screening and hiring process appears to be even more difficult among warehousing and trucking employers, according to the study findings. Nearly half (46%) of warehouse/trucking hiring decision-makers pointed to the screening and hiring process as a top challenge compared to 10% who named lack of workers to fill open positions as a challenge.



It's Fit... Not Fill.

The screening and hiring process is meant to screen out applicants who may not be qualified or the best fit for the job, and conversely, to screen in and hire the most qualified candidate who will perform and stay with the company. However, according to the study findings, this process is breaking down.

Respondents identified “difficulty hiring best-fit candidates who stay and perform” as their second biggest recruitment challenge today. For manufacturing hiring decision-makers, this was named as equally challenging as the screening and hiring process.

Hiring has been a particularly problematic issue for manufacturers in the U.S. When Deloitte last studied the issue in 2018, low unemployment

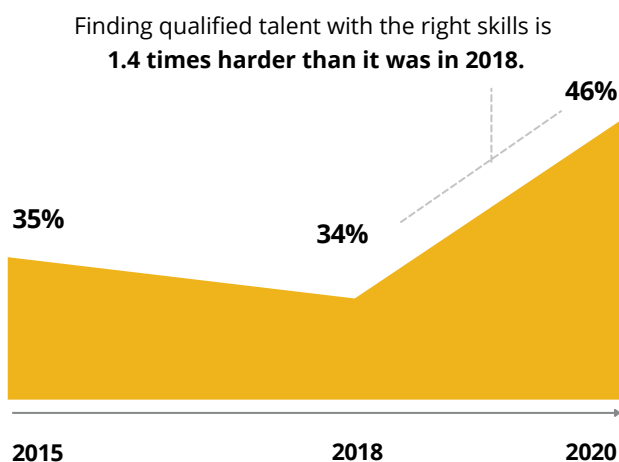
was underscored as being part of the problem. But a new report on hiring in manufacturing found the issue persisted in 2020, a time of high unemployment during the pandemic.

Between December 2020 and February 2021, The Manufacturing Institute and Deloitte found that manufacturers are having trouble filling 46% of open positions due to a mismatch in skills—a 12 percentage-point increase from 2018.

Among so many other things, the pandemic and its repercussions greatly impacted talent acquisition teams, shifting demands and responsibilities to fewer resources, and proved to be a historic change agent as virtual recruiting and onboarding became the norm for most. While the growing availability of online job portals, social media, and virtual recruitment advertising has helped employers to source more candidates, it has also led to a greater volume of applicants and less in-person or effective screening processes.

Finding qualified talent is harder than it's been

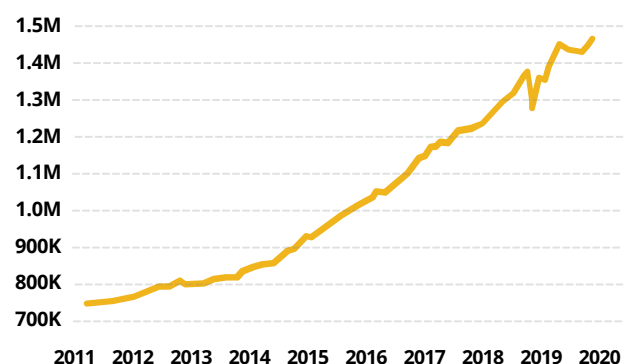
Share of open positions manufacturers are finding difficult to fill due to skill mismatch.



Source: [Deloitte](#)

Warehousing and storage employment more than doubles

U.S. employees in warehousing and storage industry since 2011, seasonally adjusted



Source: [Bureau of Labor Statistics](#)

Fixing a Broken Process.

In a hyper-connected world, while sourcing remains a hurdle, the processes of candidate screening and selection need to be revisited. Despite major advancements in technology, screening is still the most time-intensive aspect of hiring with an average hiring decision-taking approximately 23 hours of screening time. In fact, **60% of recruiters** say screening candidates is the most time-consuming part of hiring.

In today's environment where speed-to-hire has become increasingly urgent, an ineffective and cumbersome screening and hiring process can greatly slow the ability to get the right people in the door.

The average time-to-fill is already 30.7 days for the manufacturing sector and 24.9 days for warehousing employers.

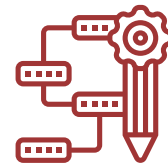
Meanwhile, the best talent stays live on the market for only up to 10 days. And, out of the average 250 applications that any given job may be bombarded with, **220 are deemed unqualified**. Even pre-COVID, a U.S. labor report indicated that there was one qualified candidate for every six supply chain job openings.

Achieving Better Speed-to-Quality-Hires.

The industry faces the unique challenge of finding individuals to fill open positions, qualify those individuals effectively, and prepare them for successful, long-term careers in the supply chain. Essentially, employers don't need improved speed-to-hire rates, they need a better speed-to-quality-hire rate.

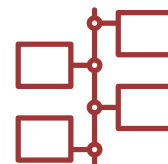
Hire Dynamics specializes in finding talent for the supply chain industry, partnering with leading manufacturers, warehousing, logistics, and e-commerce businesses to revamp and streamline their screening and hiring processes to drive better speed-to-quality-hire success – we call it Process Mapping.

We mapped one client's process and they were surprised to see it took six weeks to fill jobs due to lengthy, time-consuming, and unnecessary steps. Our methodology takes into account two critical aspects of achieving faster, better fit hires:



Design

Designing customized recruiting plans specific to market dynamics and a mix of on-the-ground, in-person screening, and virtual, streamlined automation.



Accelerate

Accelerating timelines and removing barriers to the screening and hiring process.

Leveraging Human and Virtual Touch Recruiting.

We solve recruiting challenges on the ground, not from afar or from cyberspace. We lead with grassroot recruiting efforts, backed by centralized sourcing teams and robust digital strategy.

- **Career Coach:** Our mobile recruiting office has been filling jobs across the country at a record pace.
- Virtual and drive-through job fairs...
we call them Hirepalooza's!
- Recruitment teams focused on specific markets and increased spending on digital recruitment by 60% **to make sure our jobs are being seen.**
- **Work4HD app** offering 24/7 job search and notification, paystubs, and engagement features.



Industry-Leading Screening & Hiring Process Mapping Methodology.

Having worked with hundreds of supply chain employers to transform their screening and hiring process, we've seen that often, existing required or preferred processes can take weeks to screen, hire, and onboard candidates. We apply our proven Process Mapping methodology to remove the challenges and barriers to faster, better hiring, including:

Audit of Current Processes.

We take an inventory of your current talent acquisition processes to clearly identify what it takes for a candidate to learn about your job opening and the experience of applying for the position through to the onboarding process. We look for factors or barriers that influence the application process, accessibility, ease of use, level, and frequency of communication with candidates, and more. The end goal is to identify steps and tasks that may be too lengthy or cumbersome for both the candidate and the HR team that could be hindering success and find creative, effective ways to streamline and optimize the process.

Automate and Streamline.

Oftentimes, the most immediate strategy we find to reduce the administrative load on recruiting and hiring teams is to leverage our automated tools and process improvements to speed up hiring. We develop a customized pre-hire assessment and screening approach to ensure we quickly and effectively identify the best candidates for each job, so HR teams can easily see the best-qualified candidates in a fast turnaround to ensure little to no candidate drop off.

Zeroing in on the Ideal Candidate.

We know that our clients' success is reliant on hiring and hiring back the right people for the job. Transportation, warehousing, and logistics employees turnover at a high annual rate – 26.8% of supply chain industry employees quit their jobs in 2020, according to the BLS. The best way to reduce this high turnover is to ensure that the hiring process is identifying the right candidates. To do this, we take steps to deeply understand the company, culture, job, and exactly what a best-fit hire looks like to develop customized recruiting and screening plans using talent scorecards, assessments, and more.

Client Case Study

INTERNATIONAL CLOTHING DISTRIBUTION



THE CHALLENGE:

An international clothing distribution client was having issues with its current staffing provider filling 2nd shift positions with qualified talent during peak times.



SOLUTION:

Hire Dynamics implemented an innovative and creative approach to recruiting for this position with an emphasis on screening to ensure higher retention.



RESULTS:

Hire Dynamics improved fill ratios and led other staffing agencies 5 out of 6 times in turnover percentage, receiving a score from the client of 100% accuracy on attendance and over 120 Hire Dynamics associates have been hired full-time.

Client Case Study

LEADING MANUFACTURING COMPANY



THE CHALLENGE:

Leading manufacturing company Alphagary was struggling with talent failing to show up to work and poor-quality candidates being provided by their existing staffing agency.



SOLUTION:

After touring the client's facility and conducting lengthy meetings to fully understand existing problems, Hire Dynamics created a customized recruiting plan, using MC reports, scorecards for talent, and more.



RESULTS:

Hire Dynamics became the primary staffing partners and delivers a 95% rate of sending the right fit talent who stays with the company. The client spends less time training new talent and runs at a higher production rate after lowering absenteeism rates and achieving higher talent retention.



Opportunities. Fulfilled.

Despite record hiring by some major companies in warehousing, manufacturing, and logistics over the past year, there is still more to come. The pandemic has changed the way people live, shop, and communicate, with the demand for delivery and logistics services not abating anytime soon. An influx of applicants is also likely on the way and removing obstacles from the screening and hiring process will become even more critical to meet staffing and productivity demands.

Contact us today.

www.hiredynamics.com

Hire Dynamics 
OPPORTUNITIES. FULFILLED.