# 5 KEYS TO HIRING SUCCESS

For Door, Frame, and Hardware Distributors





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Staffing currently stands as one of the biggest challenges facing the door, frame, and hardware industry. Many business leaders today report difficulties finding qualified candidates willing to fill the shoes of the retiring generation. This whitepaper explores the root cause of the staffing problem and provides strategies for solutions through examination of the new generation of workers: millennials.

Software for Hardware believes that by adopting new hiring practices, attitudes, and technologies that address modern concerns and preferences, we can attract and retain a new generation of hardworking employees who will drive success in the door, frame, and hardware industry. 5 Keys to Hiring Success outlines five main points with specific actions you can take to hire the modern candidate.







Undeniably, the U.S. economy currently suffers a severe labor shortage. For our wholesale and distribution industry, the data paints an even darker picture of available labor. How bad is the problem, and why did this happen? Closer to home, why is it worse in our industry? Let's review the data and the prevailing theories.

For manufacturing and wholesaling specifically, research from the U.S. Chamber of Commerce 2023 Labor Report states that every current job seeker with experience in manufacturing or wholesaling fills only 44% of open job postings. This supports the Dept Bureau of Labor Statistics which reports a 2.9% unemployment rate in wholesale trades. As unemployment falls and open job postings rise, average hourly wages also rise. The Dept of Labor Statistics reported the average hourly wage for wholesale non-supervisory employees rose to an all-time high of \$36.16/hour.

Members of the Software for Hardware Customer Council fully concur with this broad industry data. Door, frame, and hardware distributors that use Software for Hardware report overwhelming customer demand coupled with simultaneous low product availability and a crushing labor shortage. As a result, many distributors report having to stop bidding new jobs and pass on additional work.

Linda Williams, President, PMP, Columbia, SC says, "You might think it's a nice problem to have, that it's more business than we can serve, but it's not a nice problem. We strive to deliver high customer satisfaction to all our clients and saying 'No' is just not ideal."

Mitch Lazar, CEO, Rapid Door, New York, echoes the same situation: terrific demand but a shortage of qualified labor. Lazar comments, "We as industry leaders need to step up and figure out a program to recruit more young people into the industry. In our case, we're taking new hires with no industry experience knowing we'll be investing a year or two getting them fully trained."

Cheryl Orsi, Senior Manager Client Support, Software for Hardware, comments, "I've had the privilege of speaking to dozens of distributors, and they all say the same thing: they are shorthanded."

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- Mitch Lazar, CEO, Rapid Door

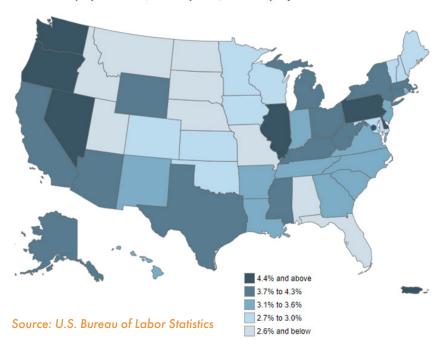


Two broad trends merged into a perfect storm of labor shortage. First was the long-running retiring of the US population. Every year since 1998, the labor participation rate has declined as more people retire than new workers enter the labor market. COVID-19 combined with government assistance programs also dramatically accelerated the retirement of older workers and minimized new workers entering employment. Moody's Research estimates that 70% of the workforce decline is due to retirement.

Moreover, a 1-to-1 replacement of a retired worker with new labor entering the workforce does not provide employers equal productivity. A new worker often falls far short in productivity compared to the experienced retired worker because of the learning curve; they require specialized training and knowledge, which takes time and energy to teach.

The second trend driving the labor shortage is quitting. According to a 2022 FlexJobs survey of

State unemployment rates, February 2023, seasonally adjusted



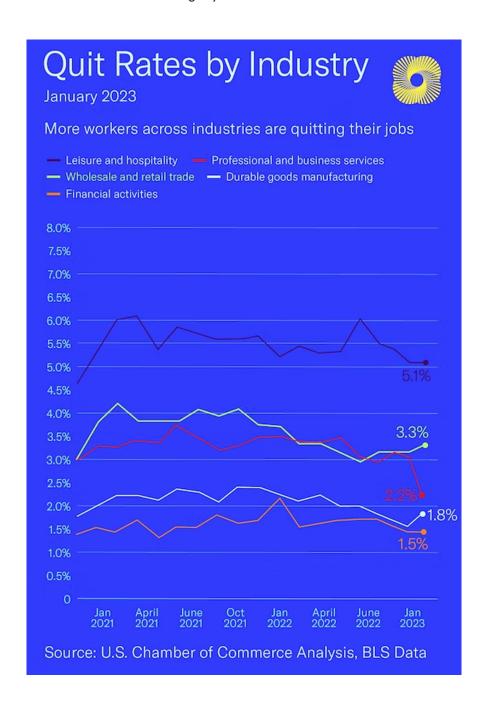


2,202 individuals, 62% of people cited quitting their jobs because of toxic company culture. In a toxic environment, employees may feel constantly stressed and distrusted. Often, they experience a lack of communication and little growth for development, says Dimitris Tsingos, President of Epignosis and Cofounder of TalentLMS. When people don't feel valued or respected, burnout and high turnover follows.

The pandemic brought this issue into sharp focus.
Harvard Business Review argues that the tragedy
made many reconsider the role of work in their lives.
As many workers had to deal with fear and tragedy

from COVID-19 amidst their already tiring work routines and family responsibilities, they decided enough was enough. People wanted better management, better pay, more flexibility, and a healthier work-life balance, and for many, the pandemic pushed them to finally quit.

Lisa Oxman, CEO, Software for Hardware, comments on the situation in the door, frame, and hardware industry specifically: "We see many distributors today facing the reality of older employees' retirement and looking for ways to hire the next generation."





Where does this all leave us? How exactly can door, frame, and hardware distributors attract workers when so many people are retiring and quitting in the aftershocks of the pandemic?

To answer that, we must shift our focus to a new generation of workers: millennials. Millennials generally range in age from 25-40 years old and are currently the largest single segment of the workforce comprising nearly 50% of all US employment. Pew Research predicts the Millennial segment to reach 75% of the total workforce by the end of 2025. In the manufacturing and wholesaling industry, baby boomers (aged 55-75) are mostly our current business owners and executives, while Gen X (aged 40-55) often hold middle-management positions. Millennials, meanwhile, are the next generation ready to fill many new positions in the door, frame, and hardware workforce. To fill jobs in an industry ridden with retirement, it is vital that we connect with this large group of people.

Connecting with the new generation means understanding how they generally think. As millennials look for work post-pandemic, they bring attitudes and skills new to many baby boomers currently leading the industry. Though not every 25-year-old feels the same way, of course, and each person has their own unique viewpoints, one

can notice general trends that showcase what many individuals in the generation look for.

As Indeed says, "Millennials were born into a technological world and came of age in a new millennium." During their lives, technology like phones, computers, and applications developed rapidly. Since many learned how to use this technology from a young age, millennials typically have more intuition and interest in using technology than older generations do. They understand that it has the power to make life more efficient and connected.

Millennials were born into a technological world and came of age in a new millennium.

- Indeed.com



Millennials and younger generations also grew up seeing diversity become an increasingly visible topic of discussion and education. Though our society has made progress in accepting people of different races, genders, religions, and other identities, minorities still face intense persecution today. Many younger people want to see embracing of minorities in the workplace, especially if they belong to one of those minority identities.

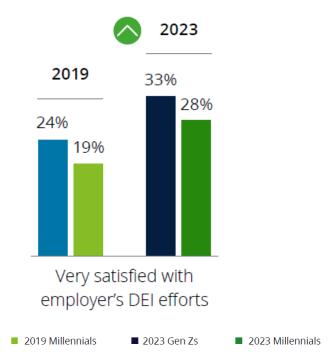
Moreover, they hope that workplaces will value the same ideas they do. In the Deloitte Global 2023 Gen Z and Millennial Survey, a study which asked 14,483 Gen Zs and 8,373 millennials across 44 countries about their concerns regarding the future and work, nearly four in 10 millennials say they have rejected assignments due to ethical concerns, while 34% have turned down employers that do not align with their values.

More research on mental health over time also helped younger people better understand the way their brains work, which led to increased demand for flexible work conditions that meet their unique needs. Harvard Business Review states that in 2019, employers just started to grasp the prevalence of mental health challenges that grew in the wake of the pandemic and other major events.

Over time, many employers made strides to set up mental health initiatives, but many still have not done enough to create sustainable environments for new employees. The Deloitte Global 2023 Gen Z and Millennial Survey reports 39% of millennials admitted to feeling stressed or anxious all or most of the time.

With millennials largely focused on technology, diversity, and mental health, the big question remains: how do we find success in recruiting this new generation of door, frame, and hardware professionals?





Source: Deloitte Global 2023 Gen Z and Millennial Survey

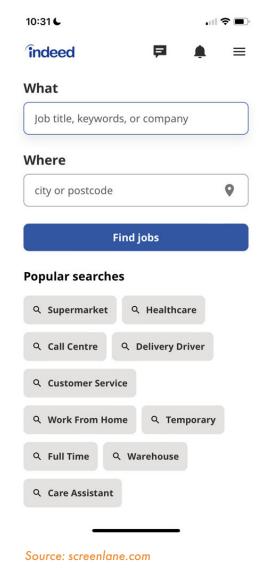


This paper focuses largely on millennials given they represent a growing majority of the U.S. workforce. While the following points cater to millennials, many of these hiring best practices can attract older and younger generations as well, especially those who have embraced more modern technology and attitudes.

### P Key #1: Reach Outside

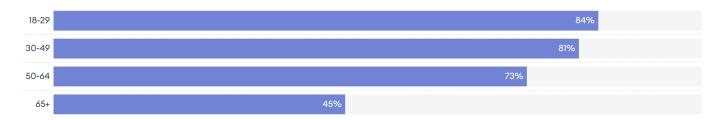
No longer is it feasible to expect candidates to come to you, or to come from a close inner circle; now more than ever, companies must reach out to attract candidates. Since millennials grew up with the internet, they comfortably search for jobs in the digital world. Job searching websites like Indeed are common, as they allow individuals to apply filters such as "Remote work" and "Level of Experience" and to specify a preferred salary amount. Detailed filters help weed out options and connect individuals straight to jobs that meet their qualifications. Thus, these popular sites offer great visibility for job openings.

Social media continues to serve as a hub for the newer generations, which makes it another great avenue to use. In 2023, an estimated 4.9 billion people use social media across the world, says Forbes Insider. Moreover, a study by Pew Research shows that 84% of people aged 18 to 29 use at least





### Percentage of each age group that uses at least one social media site Source: PewResearch

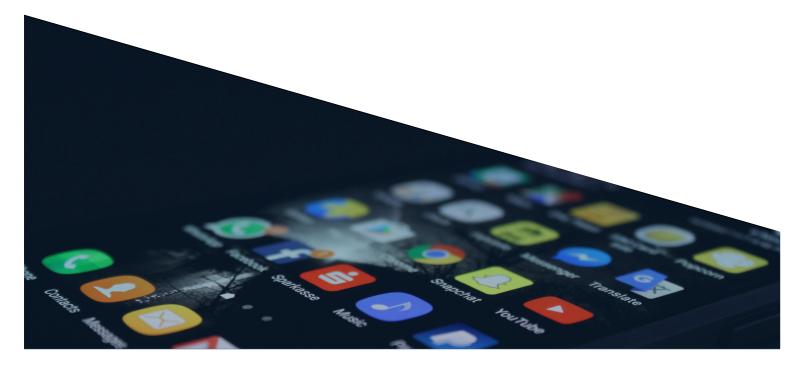


one social media site. Thus, increasing a company's presence on social media can reach more people, especially younger people. Since LinkedIn is a social media platform tailored specifically for business and employment, it's a great job posting platform. Along with job posting, setting up your company's profile to include a description and link to its current staff will promote your company's professional image.

As for other avenues of outreach, Twitter, Instagram, and Facebook rank among the most popular social media sites today. Here, you can repost job openings, or even write up posts that share positive experiences from current employees, which could convince candidates to give that job post a second look. On your own website, keeping your "Careers" section updated and easy-to-locate also attracts attention from potential hires browsing the site.

You can also reach out to colleges for internship opportunities. Recent graduates may be green, but they're also highly tech savvy, energetic, and eager to land a job. Moreover, creating relationships with colleges for apprenticeship programs can spread the word and educate young people about the industry. After all, some young people don't even know that door, frame, and hardware industry is an option for them, and these programs can serve as their first point of contact.

Whichever avenues you pursue on the internet, make sure you dedicate time to pursuing them even after you have filled the position. Keeping contender candidates on file and keeping a lookout for others will ensure that you have options if staff changes happen with no notice. Also, maintaining up-to-date branding on social media can build an audience of candidates ready to apply down the line.



#### P Key #2: Invest Inside

Investing in clear, professional branding for your company proves highly valuable for marketing but also valuable when recruiting the new generation of workers. LinkedIn says that "by developing a unique brand identity... you create a distinct impression in the minds of your customers." Your logo, tagline, copywriting, fonts, colors, and the way you combine these elements tells a very specific story to your customer, and a good story will stick in their heads.

To put it another way, **branding is identity.** What identity do you project to people? Do prospective candidates see a dull, outdated logo or a fresh, modern logo? Unprofessional, unclear branding is a bad first impression that can discourage potential hires who are looking for a professional work environment. Millennials especially will respect branding that feels current and cognizant of trends, because it shows that your company is more openminded and potentially embracing the change they want to see. They will notice and appreciate good effort, and they will notice and distrust poor effort.

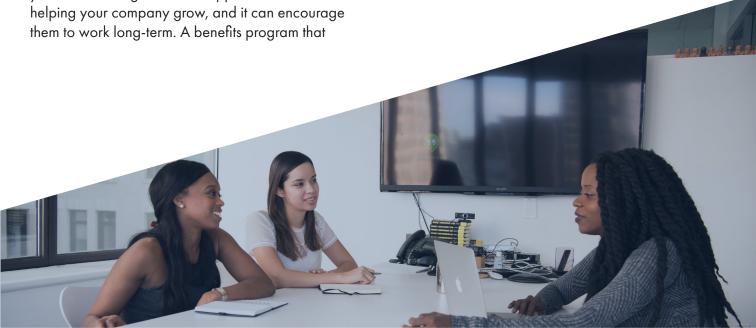
Young people will also appreciate investments in their livelihoods. Offering a sign-on bonus is a good incentive to a prospective candidate, as it shows commitment. Down the line, continuing to offer bonuses for employees that do good work also shows your acknowledgement and appreciation for them in helping your company grow, and it can encourage them to work long-term. A benefits program that

includes ample vacation time, health insurance, and retirement savings plans is also important to candidates, especially since the pandemic, and can motivate them further. If you show willingness to invest in a candidate, the right candidate will invest in you.

Another untapped avenue for finding applicants is offering a sizable employee referral bonus. Your current employees may have large social networks and connections in the industry. If you show your employees that you're serious about leveraging their network by offering a 2.5-5k bonus, you can greatly increase your chances of finding appropriate skilled candidates. In the long run, this saves money you could otherwise spend on an expensive recruiter.



Software for Hardware invested in its identity with updated branding in 2020.





#### P Key #3: Streamline the Process

Once you've gained the attention of potential hires, you need to retain and grow their interest via a streamlined modern hiring process. From posting the job to conducting the interview, follow these best practices and mistakes to avoid.

Avoid making the application a lengthy, time-consuming process. When applicants browse around job sites, they often apply for many different jobs at once. They will grow impatient with an application that requires manually filling in their entire resume instead of simply uploading their resume. Also, while you may want to include a few short questions to form an accurate first idea of the applicant, make them to-the-point, especially when you're also requesting a cover letter. Applicants don't want to spend time writing an essay, and you likely don't want to spend time reading 100 essays. The interview is the prime opportunity for longer discussion.

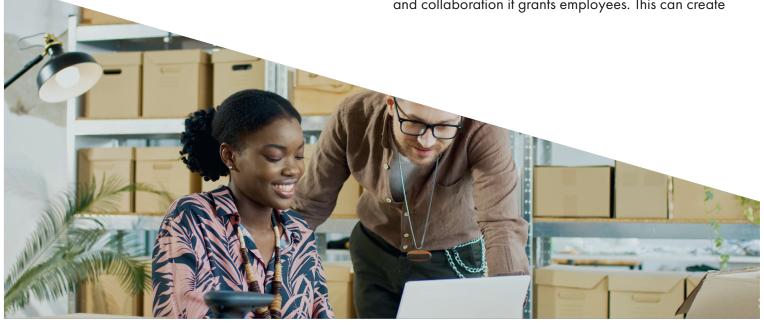
On that note, make sure not to wait too long before the interview. Brazen, a platform for virtual hiring events, stresses the importance of an accelerated interview process, quoting that "Indeed research found that only 37% of candidates hear back from a potential employer within a week and 44% hear back within a few weeks." Once again, candidates

are busy, and if you don't show interest in them after they submit their application, they likely won't show further interest in you. They will invest their time in companies that have responded, and they might land a new job before you can offer the first interview.

Obviously, you don't want to rush through the interview process and mistakenly end up with an unqualified hire. Keeping a tight schedule of the number and kinds of interviews to conduct can keep the process quick and efficient. Allowing the candidate to speak to members of the company they will work with most directly serves as a good test in seeing if they will work well together, and it allows your employees to talk about their experiences working for the company, which can further educate and convince the candidate.

#### P Key #4: Offer More than Money

When it comes to compensation, money is not everything. Kenjo, a blog that details the latest trends in HR, shares that millennials care about company culture. Many want to share the same values as their employers; thus, communicating accurately in the interview about your company and what you value will ensure the candidate feels at home and represented working there. Moreover, the horizontal model, a management organization where a workplace has many employees and little management, has risen in popularity for the autonomy and collaboration it grants employees. This can create



a comfortable, flexible workspace for employees. Communication is also essential for a sustainable work environment. Young employees want to know if they perform well, and they want to know what they can improve on. By being upfront and fair about both their strengths and areas of improvement, you foster an environment of honesty and let them know that they and their work are valued. Transparency will create trust.

Additionally, COVID-19 marked the era of remote work. With so many people unable to leave their homes because of the virus, society adapted and worked from home. Since then, many companies still offer the option of remote work, as some employees prefer the flexibility of working at home with no commute times. Of the millennials currently in remote or hybrid roles surveyed in Deloitte's 2023 study, 75% would consider looking for a new job if their employer asked them to work on site full-time.

77% of Gen Zs

75% of Millennials

who are currently in remote or hybrid roles **would consider looking for a new job if their employer asked them to work on site full-time**. About one in six (16% of Gen Zs and 15% of millennials) would immediately start looking for a new role.

P Key #5: Embrace Technology

As discussed, millennials grew up in a world of technology. Because many learned how to use smartphones, laptops, and more from an early age, they pick up on new technology much faster than those in older generations. They understand that technology holds the power to make work processes much more efficient and convenient.

Millennials expect employers to provide appropriate technology for their role.

Joe Broders, Sales Manager of the door, frame, and hardware supplier Steve Broders Co., saw this demand firsthand when trying to attract top talent to join his company which did not use project management software. They used hand drawings and Excel spreadsheets at the time.

"We were told straight out that they would not join our company without the tools to help them be productive and successful. That was a wake-up call for us," said Joe. As a result, Steve Broders Co. purchased Software for Hardware and saw great growth in their company; they gained two talented hires and the organization required to pursue bigger projects.





As project management software tailored to the door, frame, and hardware industry, Software for Hardware assists users from take-off to provisioning. It reduces the chance of costly errors common in traditional processes. Millennials particularly embrace such technology. Not only can technology streamline your workflow, but it can attract an eager, tech-savvy new generation of workers. Company growth follows naturally.

We were told straight out that they would not join our company without the tools to help them be productive and successful.

- Joe Broders, Steve Broders Co.

Additional technologies, such as HR software, bring efficiency to human resources functions. By using HR software that automates processes like payroll and talent acquisition and management, you devote less time and money to managing your employees. As Peoplegoal says, you can streamline onboarding, see real-time data, and reduce the number of filing cabinets full of paper. Younger generations will appreciate companies embracing helpful technology like this.





This whitepaper presented the staffing problem currently faced by the door, frame, and hardware industry and offers solutions in the form of 5 Keys to Success. As generations of workers retire and quit, we recommend turning our attention to millennials who constitute a majority of the workforce. Recruiting millennials and younger generations means understanding their common skills and concerns; they embrace technology and desire

more flexible working conditions that match their values. Employers will benefit from extending their reach to the internet, investing inside, streamlining their interview process, offering accommodations outside of salary, and embracing helpful technology. Software for Hardware predicts that those who understand the new generation and tailor their hiring practices to them will find greater success in recruiting competent, satisfied, long-term staff.





Founded in 1996 by DHI honoree John Petersen, door, frame and hardware distributors across the US, Canada and Caribbean use Software for Hardware® to power their businesses and better serve their customers. From take-off to accounting, over 1,000 door industry professionals use Software for Hardware® to get their job done faster and better.

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