



EPISODE 4

Economic Reopening: Lessons from Around the Country

- Introduction:** Welcome to Strategic Insights, brought to you by PrideStaff. On each episode, we bring you interviews with leading management and employment experts from across the country. Your host for Strategic Insights is Brad Smith. And now, here's Brad.
- Brad Smith:** Hello, and thank you for joining us for Strategic Insights from PrideStaff. Today we have a great episode. I'm pleased to invite Amy Linn, Strategic-Partner from our North Dallas office, and Sean Akin, Strategic-Partner from our Fresno office, to today's podcast. Amy and Sean, thank you so much for joining us. Really appreciate your time.
- Amy Linn:** Thank you, Brad.
- Sean Akin:** Thank you, Brad.
- Brad Smith:** Sean, let's kick things off and ask you a question. Today's episode is all focused around the challenges that businesses have for reopening in the midst of COVID. Now, in your office, you're based outside of Fresno, California, and if we rewind three months ago, you were under stay-at-home orders, and fast forward, a lot has changed since then in a very short amount of time. So what are you seeing right now?
- Sean Akin:** Yeah, a lot has changed, Brad. Orders have been lifted. They've been brought back. Then they've been lifted, and I can tell you now we're starting to see a consistent ease up. I think the idea of a light switch turning on and off is no longer an option. It is now a slow progression and this is now going to be the new standard moving forward. After talking to a lot of my clients, they're all saying pretty much the exact same thing. This is going to be a long-term impact. It is they're changing manufacturing production styles or changing internal regulations. A lot of people thought it was going to go away. It's not. It's going to be a change in that aspect for years to come, and manufacturing, which I'm considered to be the expert in, is booming. They're still moving strong, and they're moving forward. There is no slow down.
- Sean Akin:** COVID has slowed down and changed policies and production. Yes, but the demand is still there. The only change that we're seeing is no matter what side of the earlier on, this is showing a lot of similarities to the away online market,

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and contingent staffing was the first to come back. And we're starting to see that now is companies are hiring through staffing agencies because, they're not aware of what's going to happen after November. What's going to happen in January. There's more uncertainty. I feel like in the employment sector than there is in the stock market. And we see how volatile that is on a daily basis. So, that is what we're seeing Brad. And we're seeing though people are going to work, there's still a little bit of uncertainty out there and, they watch the news every day to see what's going on.

Brad Smith: I think that makes complete sense, Sean, and you brought up a great point in that contingent workforce models really allow you that freedom of flexibility. So when state or local regulations change, you can adjust. You're not tied down with fixed costs. Amy, let's talk about Dallas Texas a little bit. Your business is a little different than Sean. So in Dallas you have headquarters of larger organizations, sometimes hundreds and thousands of people employed in one organization. It's a little bit different than a small manufacturing facility. So for the larger organizations that you're working with, what are you seeing?

Amy Linn: Well, Brad, I agree with you. It's very different and yet it's very similar. Sean had mentioned that his clients are full steam ahead. There wasn't anything wrong with the economy. When we entered this recession, it was completely due to the shutdowns. So the large organizations have found a different way to continue business through the pandemic. And that is looking a lot like remote teams are here to say, many of our larger organizations are not back in the office. They have announced plans to return in 2021, some as early as January, but most are looking towards the middle of the year. So I think that they're finding that there are some efficiencies with having their distributed teams working, and some are finding that's more productive than it was pre-COVID. But I think they also understand that the return to the office for a large employer is a lot more complex just due to the number of people that they house. At this point we have 50% of our temporary workforce working remotely for our clients. So that I think is paints the picture of what's happening in the Dallas reports.

Brad Smith: Yeah. What's interesting. And I heard you both say that we don't think that this is a short-term thing. This could change how we work moving forward. And I think the companies that are effective, efficient that are open to pivoting in changing their models are going to come out of this stronger. And Amy just mentioned there's opportunities to be more productive. And I think partnering with a great workforce partner can really help you take advantage of those efficiencies. When we look back over the last several years, recruiting has historically been a challenge. We had these record, low unemployment rates. It was almost impossible to find people fast forward to today. And we've got unprecedented climbs in first time, unemployment claims, and this has particularly impacted those lower earning positions. Many of the manufacturing positions were greatly impacted. So Sean, what are you seeing with those organization.

Sean Akin: Rather than, you couldn't have said it any better. What we're seeing here locally is the lower wage employees are having a real decision to make if they want to come back to work, and if it's financially viable for them to come back to work. With the stimulus packages that have been presented, local unemployment, state unemployment packages, there have been in many circumstances where individuals are staying home rather than going to work. They're staying safe and a financially they're making a better decision for their family not working. Now with the current stimulus situation we're in, we have seen an uptick in applications for lower paying positions, but I could tell you that, a lot more companies now are being open in regards to training and finding people in alternative industries. An example, being entry-level manufacturing with the restaurant industry being hit the way they were or starting to entertain more training of those individuals to get them into the workforce, more helping people with their first job.

Sean Akin: We've always heard the saying, it's easy to find work, but it's hard to find your first job. Well, a lot of companies now are being a little bit more flexible. So that's what we're seeing in the market, but the demand is high. The supply demand curve is really thrown off right now, because the demand is very high. And with unemployment packages being as strong as they are, supply is very high, but getting them to work is the second piece. So we're definitely seen an improvement over the last 60 days, especially 90 days. But we're again, like I said in my previous comments, we're always worried about the resurgence of the flu season, and the political aisle in which you stand and in your local jurisdiction. So Brad today is my answer, but tomorrow I might have a different one.

Brad Smith: Sure. Yeah. And that speaks to the flexibility that we have to look at. We have to be flexible at every level of our organization. Now, Sean, you brought up an interesting point. You mentioned the supply and demand curve. So for hiring managers, HR professionals, organizations listening today that want to learn more about the supply demand curve, what do they do? How do they know where the supply and demand curve is right now?

Sean Akin: Shameless point, but contact PrideStaff, we'd love to help you with that. The people who know what's going on, are the people applying. We're getting hundreds of applications a day, a week, a month, whatever market you're in. And we're hearing the situations going on and PrideStaff has plenty of pieces to give you a supply demand portals from third-party organizations. It's not just our word telling you, it's facts and data that we have access to that we can supply to all of our clients.

Brad Smith: Yeah. So in many markets, what we're seeing is some companies have had elevate their low end wages so that they can actually bring people in, and we can actually call one of our offices. We can work with you to get you the data that you need to back up, why you might need to increase wages slightly to get access to the talent that you need. Amy, you're in a little different situation. As

we discussed working with some larger organizations, some positions that are a little higher on the wage scale, what are you seeing on that side of things?

Amy Linn: Well, although you're still hearing that there are high unemployment rates. I think 8.5% was the last national number that I read. And obviously, that's changing as well. The furloughs that companies were doing early on have really slowed in most segments. Obviously, you're reading what's happening in the travel industry and Sean mentioned hospitality, but it's a misconception that we shifted to a market where it's easier to find the talent that you need. Even within that 8.5% and pre-COVID, we were around 3.5%. And that number is disproportionately made up of those coming out of the industries that were so impacted that were shut down at retail restaurant hospitality and of course travel. So we're finding that competition for top talent is just as hard as it was pre-COVID.

Amy Linn: And specifically in office clerical and accounting and finance roles, companies are still fighting for, and frankly, on a day-to-day basis, we have candidates turning down our job offers because they have either received a better offer from another employer, or their previous employers having them come back, or has made a counted offer. So, the market today at this point in what's happened, what's transpired over the last six, seven months. It doesn't look much different than it did pre-COVID.

Brad Smith: And one thing that you brought up is candidates getting other offers, better offers, their previous employer bringing them back. So as hiring managers, we need to think through that. We need to look for ways that we can eliminate some of the red tape in our hiring process. If you find a good quality candidate, need to jump on that person right away before they jump ship and you lose them to a competitor or their previous employer. Now let's shift gears a little bit and talk about reopening plans. So, depending on where you're at in the country, depending on what size organization you are, there's some different thoughts to reopening plans. And Amy, I'd like to start with you, again from the large company perspective. You mentioned earlier, we're seeing some of them push back and not talk about reopening till next year. Take us through what impact that is having in the market and what you're seeing.

Amy Linn: Brad we're seeing it become a competitive advantage for employers. So the companies that are keeping their workforce remote, and not having to have their teams consider childcare. If their children are also learning remote or consider their own health concerns and not wanting to return to the office because of that, those companies are much more attractive to our job seekers. So I think it's hard and an unusual outcome. And we're also hearing that, this may be a situation that continues post COVID and companies finding those efficiencies. As I mentioned earlier, with having distributed teams, it's also opening up the talent pool to other markets. So where they may not have had candidates available in Dallas, they can have a remote employee in Houston or San Antonio or Chicago, and really access the talent in that way. So, it's

becoming something that, great to know wasn't intended to be, but may again, be a wave of the future.

Brad Smith: Certainly, now you mentioned distributed teams, different levels of leadership. A lot of large organizations have access to resources that the small and medium-sized players don't. So, some of them are uncertain of where to go. They don't know what legislation or restrictions are in place. Sean, how are you working with your smaller and medium-sized clients to help them through these challenging times?

Sean Akin: Yeah, that's the conversation I'm having on a daily basis, Brad, a lot of companies I work with have less than 50 internal employees. Most of them have less than 15. And when you're a small business, you can't compete with the Amazons of the world and these large corporations that are doing alternative work schedules and in all these crazy packages that you see tech companies releasing. What they're doing is, they're partnering up with me, I'm the consultant. I treat my clients because they're small business owners just like I am. And what I do is I use the backing of PrideStaff, and of our legal counsel and the information that I could gather from the 85 Strategic-Partners across the nation. And what I'm doing is I'm sharing best practices and the small medium-sized companies love it.

Sean Akin: They're wanting to know what similar companies to them are doing. They don't want to keep hearing what the Amazons of the world are doing, that the Ulta distribution centers. They don't want to keep hearing what the giants are doing, they want to hear what the small to medium-sized companies are doing. So that's where I'm spending time talking to them about successes of my local market and telling them, this isn't an online switch, like I said before, especially for the small to medium businesses, because if they're out one employee, that can be 25% of their workforce. So, they definitely are handling it differently. But I could tell you, the American spirit in the American dream is still really hard, because I'm seeing these small companies thrive in finding ways to get through this. And it really makes me proud to see what these small to medium-sized corporations are doing and not just taking it around the chain and letting it happen. They're definitely fighting through this.

Brad Smith: Yeah. And they're getting scrappy. Now, I would encourage everyone listening, if you fall into that category of a smaller, medium-sized business, and you don't have the resources that a large national or international organization has, visit pridestaff.com. We have brought in world-renowned speakers, authors, business consultants to do webinars training sessions, and those resources are available. We have dozens of eBooks, white papers, research, data, blog articles that will help you solve and overcome many of your big challenges. So again, visit pridestaff.com and you'll find all those great resources for free for you. COVID the pandemic has created some emotional fear. Now, when the crisis first hit health concerns were holding some people back, they were scared to go back. They were scared of getting sick. And since then, that shifted a little bit.

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And Amy, what have you seen, are employees still scared to come back to work because of health concerns?

Amy Linn: We're not seeing that very much at all. In fact, I was on American staffing association call a couple of weeks ago, and they had reported from one of the recent surveys that only 7% of the respondents noted any health concern. And, that was prohibiting them from returning to work. So what we are seeing and what we are hearing from the candidates, and we've talked to hundreds of job seekers on a weekly basis that, they want to know that there's a strong COVID safety procedure in place. They want to know that, the employer that they're considering working with, cares about their healths and wellbeing of their employees. But not as much as it was initially when there was so much, that was information that we didn't have, that we were still trying to uncover about this virus and the impacts. And, today there's still not a full understanding, but there is more information available. And as long as our employers are communicating what they're doing and what their plans are with their employees, we're not seeing as much of that at all.

Brad Smith: That's great. And I think it's important too to note that, not only do you want to communicate that with your existing employees, but you want to make that known for future employees. So working with your staffing partner as a hiring manager, you want to outline those safety protocols. You want to have those open lines of communications so that people that are recruiting on your behalf can become advocates for you, can calm fears before they even become an issue. Since fear is no longer a huge sweeping concern like it was at the beginning of this, there's still other concerns. One of which is, childcare. So many parents right now, many education systems are on hybrid models or full remote models. So parents are forced to scramble, and find coverage for their children. So, how is this impacting the workforce and what do companies need to do to plan ahead? And Sean, I'm going to throw this one to you.

Sean Akin: Yeah. Brad, speaking of a husband to a teacher, I'm excited to answer this question. This is a constant conversation in my household. What I would tell companies to do, and what we're seeing impact is, companies need to be compassionate and caring, I think more now than ever. And I'm seeing so many great things happen. Even in my manufacturing space where people physically have to be there to complete a good, and in my administrative space, they're creating alternative schedules, and I'm seeing those increase more, more, more. And I'm seeing another increase in shifts, small mom, mom, and moms. Maybe we're only open for the first shift, eight to five. Now I'm starting to see flexibility of maybe they're have a second shift that started, even a graveyard shift has started, or I'm starting to see companies allow employees to take two-hour lunches, but work, early in the morning and later in the day.

Sean Akin: Its actually to me, it wasn't fear of getting COVID, but my fear was is how will people respond to it? And I'm very impressed with the way organizations are handling this. They're definitely in to retain that talent that Amy was talking about earlier, you have to do that to employ. You have to supply something that

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employees want, and it's not always about money. It could be about culture, it could be about workplace, it could be about time with loved ones. And, I'm hearing so many positive things that corporations are doing.

Sean Akin: Now, if a corporation is not adjusting and they're saying, this is the way we've always done it, and this is the way we're always going to do it. It could work for now, but like we've been talking about, this COVID situation could change the workforce for years to come. And there's a different workforce coming in and out regularly. So there has to be adjustments being made. So I would highly recommend you looking over data, speaking with management, speaking with whoever you need to talk to, even your internal employees and asking what can we do better for you? And you'd be really surprised. It's not radical changes that need to be made. It's the little things that can really add up.

Brad Smith: So it sounds like organizations across the board, we need to be much more flexible. We need to adapt. And I don't want to make this sound too self-promotional but staffing really plays into this completely. I mean, staffing allows you to be more flexible, adjust on the fly, get access to the talent you need to move forward. Amy, do you mind speaking to the importance, a little bit of getting a good solid staffing partner that understands your business and can help you build in that flexibility?

Amy Linn: Absolutely, Brad. I think that it's more important now than it ever has been to have a solid staffing partner. Historically, staffing is the first to rebound out of a recession. And there's a good reason for that. It's a proven workforce strategy when there are uncertainties. And right now there are more uncertainties than there ever have been before. So the complexity of this situation really demands, that you are looking for more flexible workforce solutions. And so with management right now, not having the bandwidth to attract talent, to screen talent, to onboard talent, they need to outsource that to a partner that does it all day long. And you couple that, with the perks that you get to working with a staffing company, we handle a lot of the communication and coordination for candidates, not only during the onboarding process, but through the life of their assignment. So, you gain a partner in helping to communicate your policies and helping that temporary employee, especially if they're onboarding remotely, feel like they're part of that larger organization. And so, more time and more communication is something that I think everybody is looking for currently.

Brad Smith: Yeah. And I think that's a perfect segue into our final topic here is talking about leadership. So having that communication adjusting, we've seen that companies with strong leadership, come out on top and they get through challenges like this. We've seen every recession, after recession, after recession. The companies that have strong leaders, that make the right moves that are strategic, come out of it stronger and oftentimes with more market share. So, are either of you seeing companies in your markets with extremely strong leadership? And Amy, let's start with you.

Amy Linn: Yes. In fact, that is why I am still convinced that transparent communication is what's critical and needs to be fast communication, it needs to be frequent communication because in the absence of that information, people tend to fill in the blanks and that's where fear comes from. So if you have leadership that is confronting all of that uncertainty, and presenting a path forward and showing your confidence that your company is going to have a winning outcome. I mean, that's what people need right now.

Brad Smith: Perfect. And how about you, Sean? How can leaders be stronger and help their companies and their people get through this challenging time?

Sean Akin: Yeah, I'm all back sport analogy. So what I'm going to tell you is companies need to stop playing defense, and they need to start playing offense. I think we've been so afraid, and companies have been responding to issues, rather than being ahead of them. That's what I'm seeing, is the companies who are putting in plans and procedures and policies in place ahead of others are the ones who are thriving. It's when, if you're being reactive and not proactive. So Amy's right on the money. Communication is going to be something we've heard almost every question. The word of communication has come up, but I would just my final thoughts would be proactive, rather than reactive, being ahead of it, than behind it, play offense, not defense.

Brad Smith: Absolutely love that. And in closing PrideStaff is here to help. We've mentioned it many times throughout today's episode. We want to be here to make your transition as easy as possible. So visit our website at pridestaff.com from legal compliance webinars, to great advice from workforce psychology experts and outstanding tips for communication and being proactive. You'll find all these great resources at pridestaff.com. Amy and Sean, thank you both so much for your time. I think there's been some absolute, amazing tips today. So at PrideStaff we're doing everything we can to help make the transition back to work as smooth as possible, from legal compliance webinars and great advice from workforce psychologists to leading tips on how to reopen and be proactive in your workforce in recruiting models, you can find it all at pridestaff.com. Make sure you visit our website, Amy and Sean, I want to thank you both so much for your time today. There were some amazing tips, amazing advice. I hope everyone listening in found some value. Again, Amy and Sean. Thank you so much.

Amy Linn: Oh, thank you, Brad.

Sean Akin: Thank you so much.

Closing: Thank you for listening to Strategic Insights, brought to you by PrideStaff. Whether you're looking for high level workforce consulting or staffing help to meet demands. PrideStaff is here to help.

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