



Talent Has Disappeared

Here's why, and what you can do about it!

Presented By: David Searns & Brad Smith



This program has been approved for 1 (HR (General) recertification credit hours toward PHR, SPHR and GPHR recertification through the HR Certification Institute.

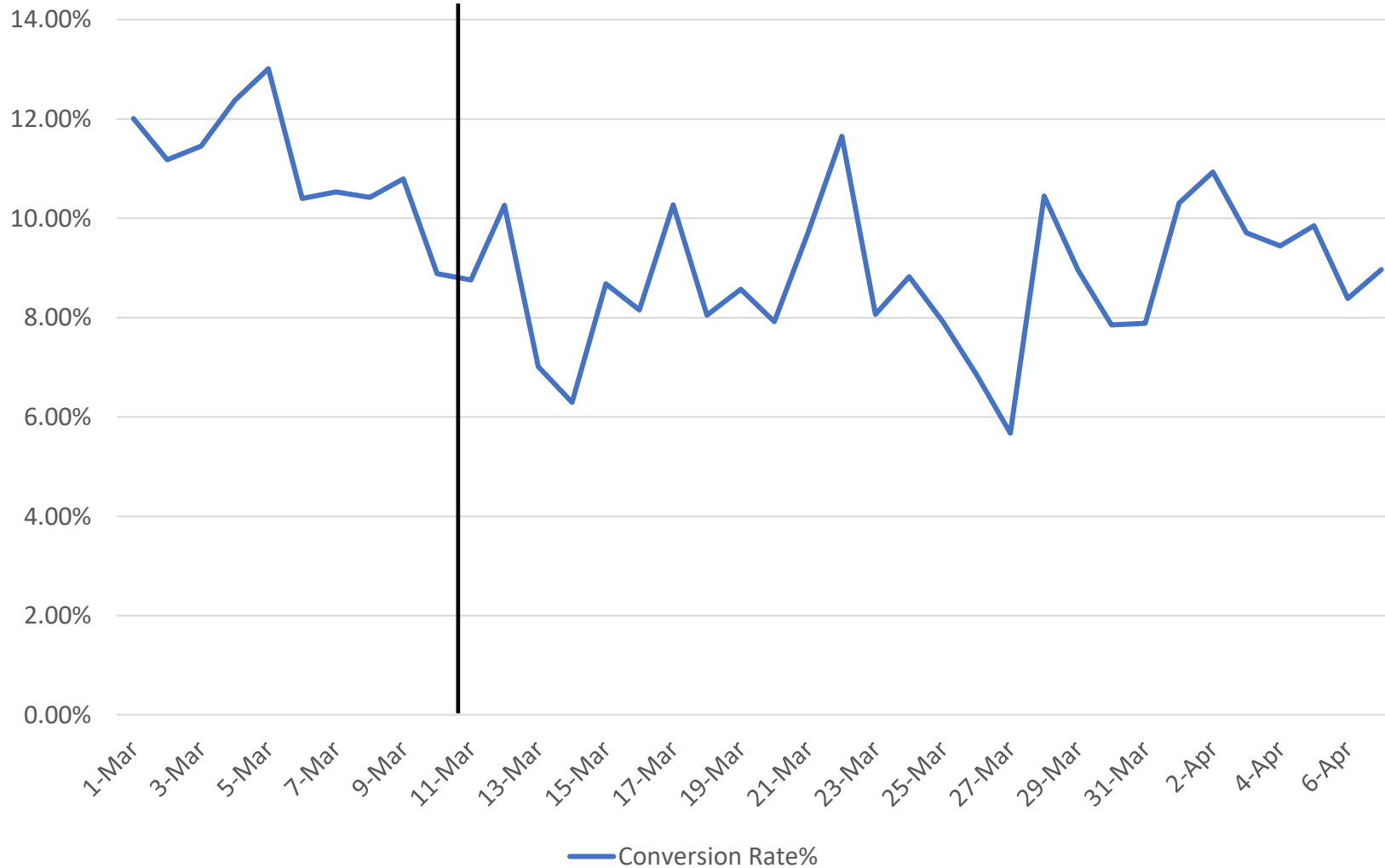


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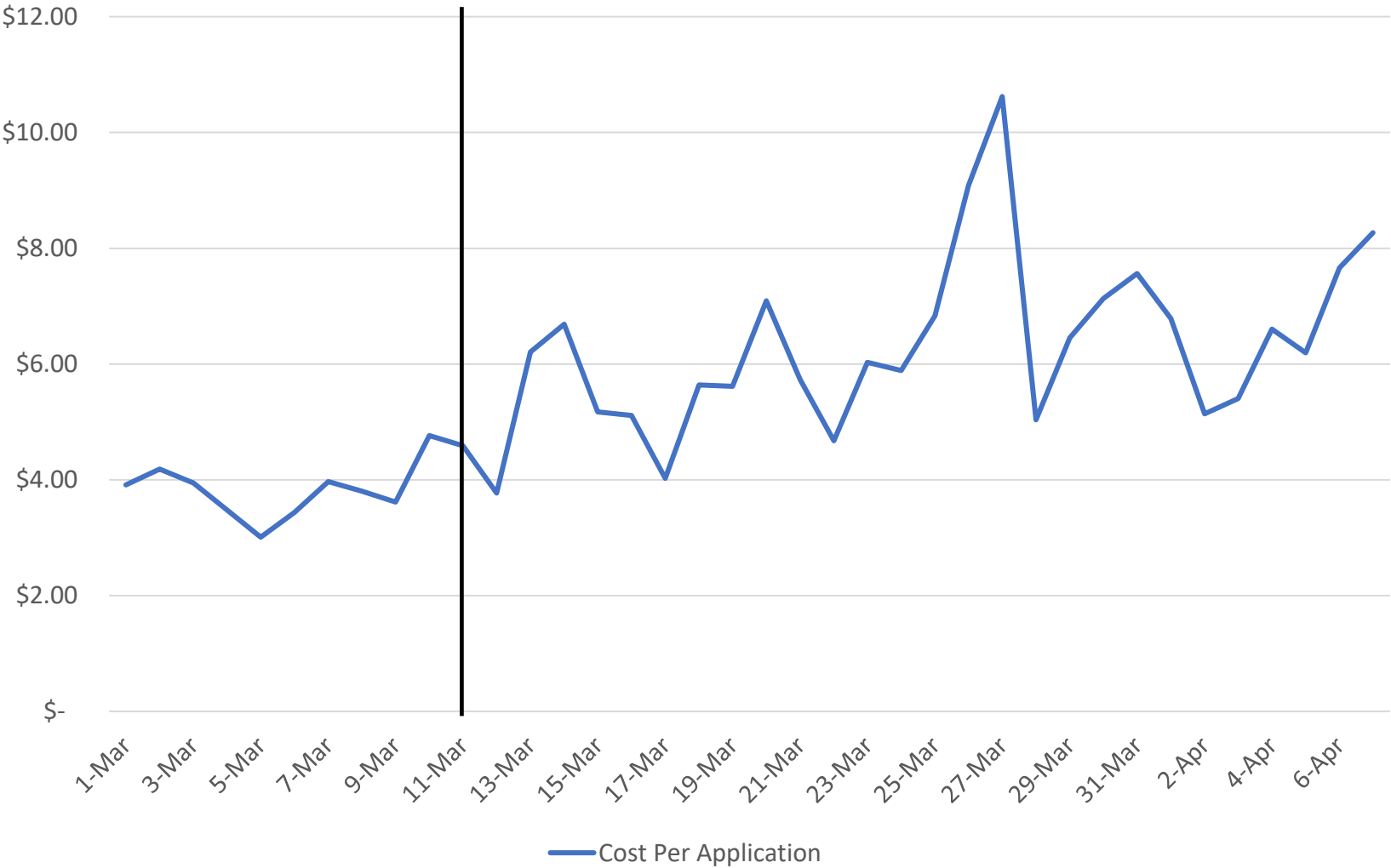
What the heck happened on
March 11?



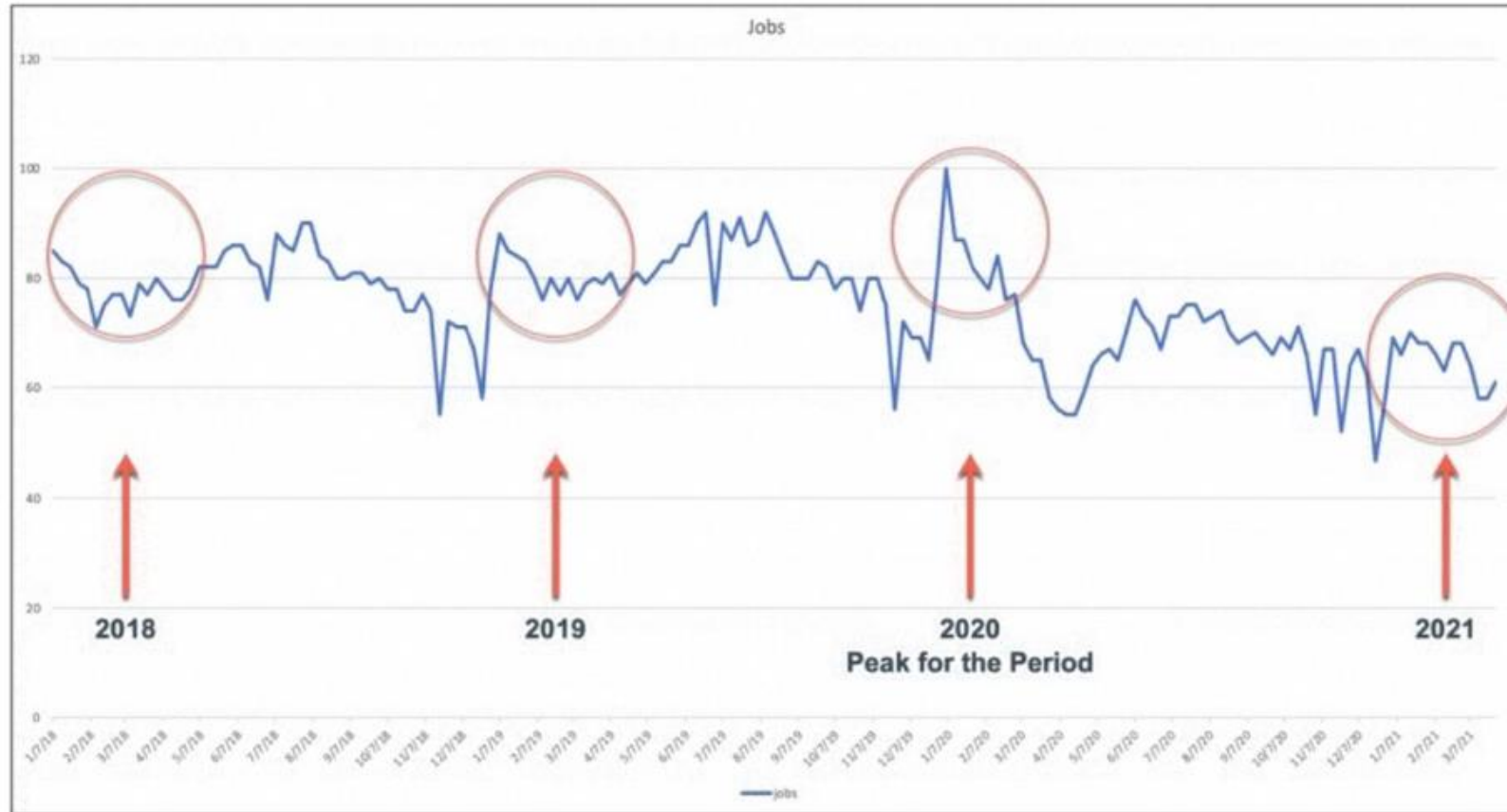
Application Conversion %



Cost Per Application



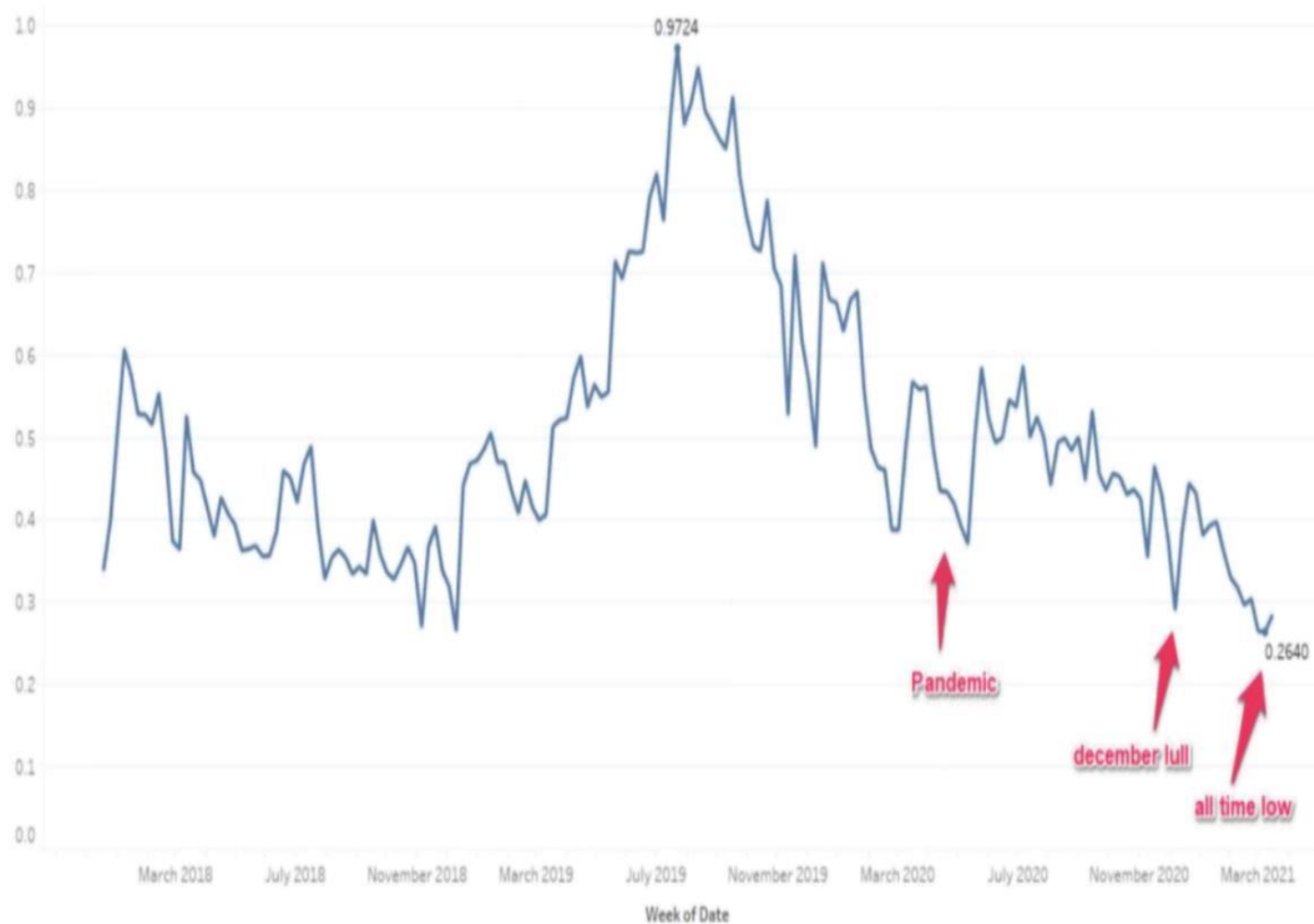
Google Job Search Traffic Decreases



<https://trends.google.com/trends/explore?date=today%205-y&geo=US&q=jobs>

Appcast

Apply Rates at an All Time Low



It's Not Just Large Businesses....



A Florida McDonald's is paying people \$50 just to show up for a job interview, and it's still struggling to find applicants



Amazon looks to hire 75,000, offers \$17 an hour and \$1K sign-on bonus



Chipotle Increases Wages Resulting In \$15 Per Hour Average Wage & Provides Path To Six Figure Compensation In ~3 Years

It's At The Local Level Too



The Issue At Hand

- Candidates are more demanding
 - Job postings at all time high
 - More demands for salary/benefits
 - Candidates can be selective
- Job searches have decreased dramatically
 - Searches haven't reached these lows since 2018
 - Limited pool of "Active" talent



The Issue At Hand

- **71%** more production/manufacturing jobs now vs. 2/20

[Indeed Hiring Lab](#)

- Increased incentives not to work
 - \$1,400 per person stimulus payment
 - \$300 / week extended unemployment benefits
 - \$10,200 in unemployment benefits not taxed
 - Health insurance subsidies



The Issue At Hand

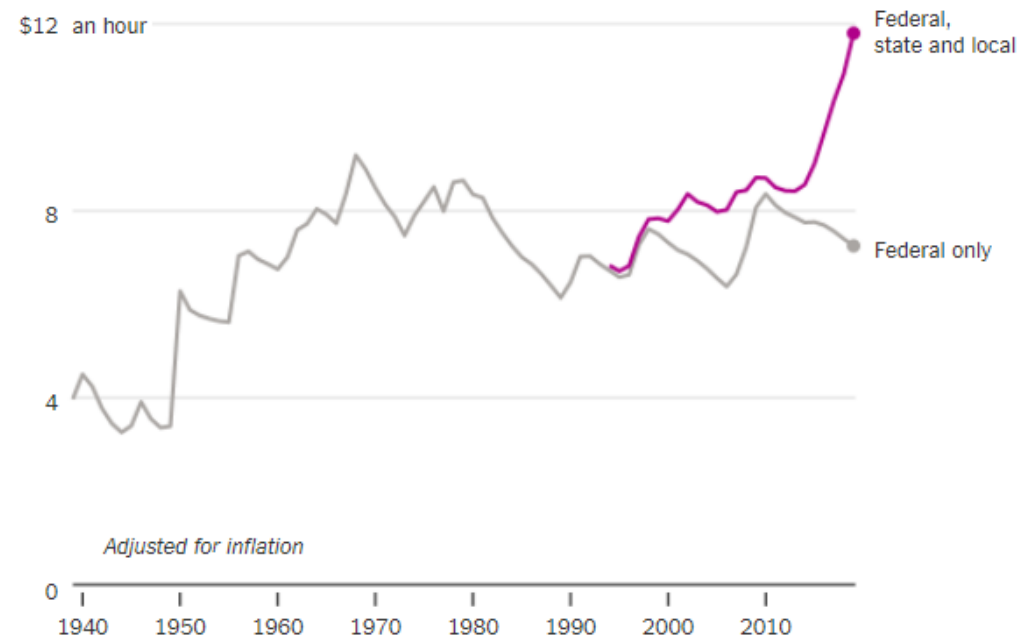
- Continued safety questions and childcare concerns
- People not paying rent due to eviction moratoriums and other Federal programs

THE RESULT:
61% increase in cost per apply



The Effective Minimum Wage May Be Higher Than Ever

The average job at the federal, state or local minimum wage pays almost \$12 an hour.



Adjusted for inflation by chained CPI-U (post-2000) and PCE (pre-2000). Pre-1978, highest federal nonfarm minimum wage is shown.

Source: Author's analysis of Current Population Survey, Berkeley Center for Labor Research and Education; Kavya Vaghul and Ben Zipperer (2016); BEA; BLS.

Implication

- New effective minimum wages
- Factor in transportation, childcare, lunch, etc., and the effective minimum wage is ~\$16 / hr.!

State	UI with Additional Federal	UI with Federal & Child Tax	Max UI Unemployment (No extension or federal subsidy)
Arizona	\$13.50	\$15.06	\$6
California	\$18.75	\$20.31	\$11.25
Florida	\$14.38	\$15.94	\$6.88
Georgia	\$16.63	\$18.19	\$9.13
New York	\$20.10	\$21.66	\$12.60
North Carolina	\$16.25	\$17.81	\$8.75
Ohio	\$19.50	\$21.06	\$12
Texas	\$20.88	\$22.44	\$13.38

Implication

Pandemic Unemployment Benefits
See the average amount of weekly unemployment in your state

Select your state
New York

Max Weeks	Average Weekly Benefit + Boost	Total Weekly Benefit
24	\$353 + \$300	\$653

Pandemic Unemployment Benefits
See the average amount of weekly unemployment in your state

Select your state
California

Max Weeks	Average Weekly Benefit + Boost	Total Weekly Benefit
24	\$304 + \$300	\$604

Implication

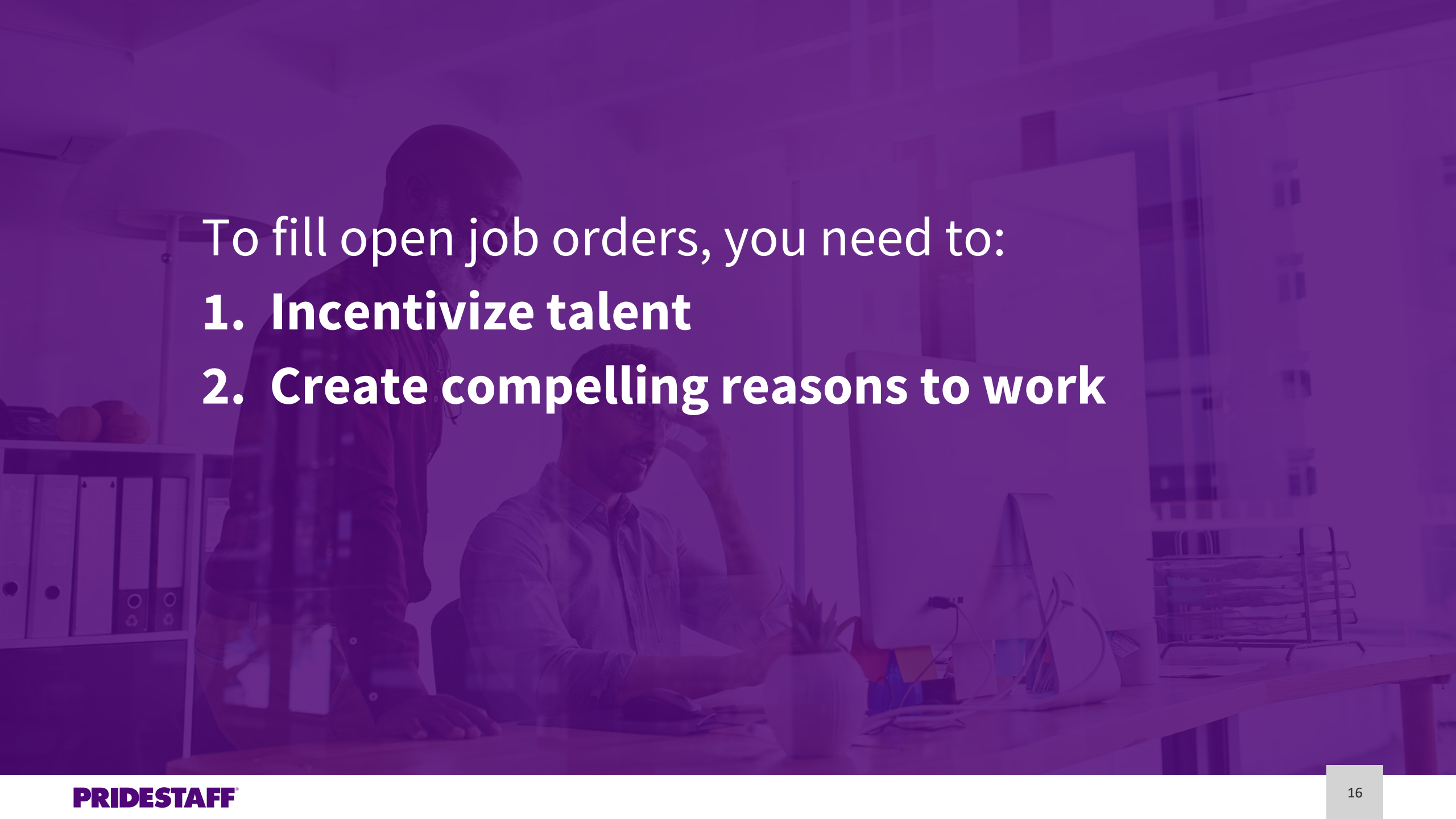
- People not ready / able to return to “normal life”
- Supply of jobs >>>>> candidate demand to work

BOTTOM LINE

The cost of recruiting will be higher – unavoidable!

- More jobs to fill
- Less talent in the market
- No way to increase candidate pool quickly enough



The background image shows two men in an office. One man is standing on the left, leaning over a desk, while the other is sitting at the desk on the right, looking at a computer monitor. The office has shelves with binders and a potted plant on the desk. The entire image is overlaid with a purple tint.

To fill open job orders, you need to:

- 1. Incentivize talent**
- 2. Create compelling reasons to work**

Incentives

- Pay rate
 - Must be at or above effective minimum wage in your market
- Bonuses
 - Sign-on, assignment completion, quality / productivity, longevity, referral
 - Potential liability and risk. (Consult with your legal counsel or HR).
- Benefits
 - Healthcare / HSA, 401(k)
 - Training programs / compensation

Compelling Reasons to Work (maybe)

- Mental health and need to work
 - Sense of pride, sense of purpose, well-being that comes from having a job
- Best pay rates are now
- Easiest to get the most desirable jobs /
get into most desirable companies
- Avoid gaps on resume
- Get your spouse off the couch!

A background image showing four business professionals in an office setting. A woman on the left is shaking hands with a man on the right. Two other people are standing behind them, smiling. The entire image is covered with a semi-transparent purple overlay.

Strategies for Recruiting in 2021

Active Job Seekers

- Advertise your best jobs, highest pay rates
- Build your employment brand and culture
- Strengthen social proof through reviews, testimonials, awards
- Increase visibility (*online and in the real world*)

**Your challenge is to build
an IRRESISTIBLE EMPLOYMENT BRAND!**

Streamline Your Hiring Approach

- No “rounds” of interviews
- Fast track decisions
- Hire on the spot
- Loosen screening requirements (when appropriate)

**Your challenge is to get that employee in the door
BEFORE YOUR COMPETITION DOES!**

Is Your Current Staffing Provider Keeping Up With The Needs of Today?

- Using technology to increase engagement and boost retention.
- Increasing touch points to show employees they care.
- Creating programs that are consistent with various Wage & Hour laws.
 - Example: An attendance bonus during COVID could create liability.
- Proactively working with you to extend assignments and plan ahead.

**Your challenge is to
NEVER LOSE a qualified candidate!**

Your Competitors' Workers

- Your biggest competitor is your neighbor in the market.
- Develop a stronger employee value proposition to win them away.
- Partner with a staffing agency to direct recruit
 - Identify a partner that you can trust and can give you guidance on current trends in the market
 - It's difficult to direct recruit on your own
 - Identify a partner that uses these tactics and tools

A lightbulb hangs from the ceiling, casting a soft glow. Below it, a group of people are seated around a table, engaged in a meeting. The scene is dimly lit, with the lightbulb being the primary source of illumination. The overall atmosphere is one of collaboration and focus.

What does your company need to do?

Define Your EVP

- Employee Value Proposition
- Clearly define your “Why?”
 - Why would talent choose your company over anyone else?
 - Ideally, your EVP will resonate with both active and passive job seekers and encourage them to consider working with you.
- Define all the reasons why someone would want to work now.



Collect Data

- Determine the pay rates and types of jobs at which applications start flowing for your industry and market.
- Data is constantly changing every 90 days.
- Client from December 2020:
 - **\$12-\$14/hour jobs:**
45% decrease in conversion and application costs increased by 62%
 - **\$15-\$16/hour jobs:**
27% decrease in conversion and application costs increased by 20%
 - **\$17/hour jobs:**
25% increase in conversion and application costs decreased by 33%



Re-evaluate Current Strategies

- Work more closely with your staffing agency
 - Open the lines of communication
 - Look close at desired vs. required
- Respond, FAST
 - Don't require rounds of interviews
 - Background/skill checks might not be possible
 - Make on-site decisions, or allow your staffing partner to

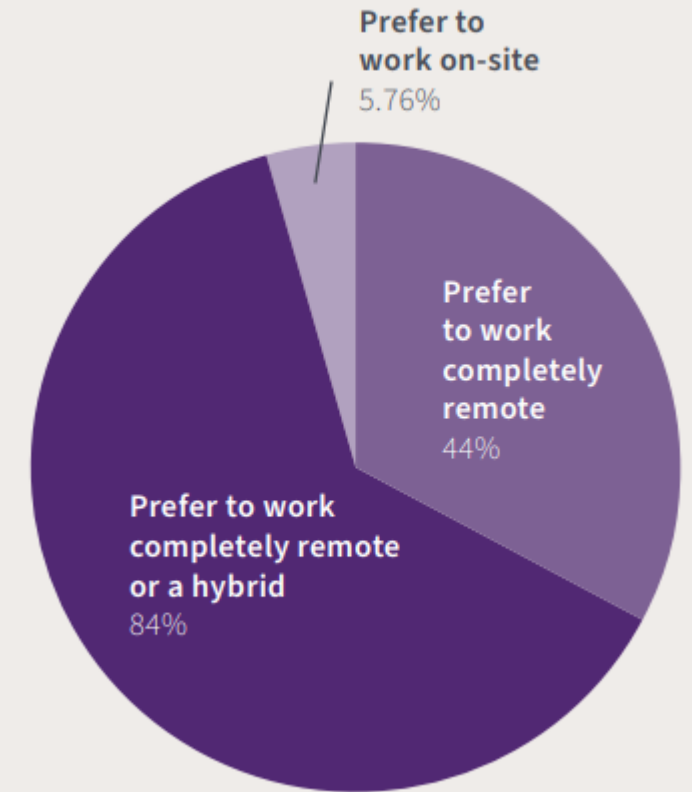
Re-evaluate Compensation

- Look at Supply & Demand in your market within your industry
 - Compare open jobs to available talent
- Adjust pay rates
 - Ensure you're competitive
 - For current team members
 - For vacancies
 - Consider structured, time-based wage increases
 - Discuss local wages with your current staffing provider
 - What are your competitors offering in similar industries?



Re-evaluate Flexibility

- Consider worker flexibility
 - 84% prefer to work completely remote or a hybrid.
 - Look at possibilities to be more flexible with current employees
 - Daycare, sick time, remote working etc.
 - COVID had a huge impact on workforce
 - In Jan 2021, 1 in 4 women considered leaving the labor force because of childcare.
 - Due to the challenges created by the COVID-19 crisis, as many as two million women are considering leaving the workforce.
- <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/women-in-the-workplace#>



Be More Engaging

- Create and curate great content
 - Jobs (*promote why your jobs are great*)
 - Stories (*convey your culture*)
 - Provide good education (*articles, blogs, video, social graphics*)
 - Show a path to career growth within your organization
 - Humor / entertainment (*convey personality with content shared*)
- Leverage hashtags and user tagging to get more people involved with content shared
- Share this content with your workforce partner and greatly expand your reach
- Use more channels of distribution (*email, mail, text, social*)

Brand Reputation

- Employee Value Reputation
- Online Reputation and Employee Reviews
 - Glassdoor, Google, Indeed
- Employees are Googling more than ever
 - Information on demand





How can a great Staffing Partner help?

Where Staffing Agencies Help

- Expand your reach
- Access to information in the market
- Decrease your total recruitment costs
- Dramatically reduce time-to-fill
- Improve attendance and decrease no-shows
- Direct recruit from other organizations
- Proactively recruit to build your bench
- Increase offer acceptance
- Conduct all screening, interviews, etc.
- Handle hiring documentation, onboarding, etc.
- Reduce employment risks





Any Questions?



Thanks for joining us!



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