



# BUILDING *your talent pipeline* TO COMPETE IN THE SANDSDEMIC

How do you attract and keep the best employees when the talent well seems to have dried up?

Let's talk about how your company can close talent gaps, hire top candidates, and retain your best employees in a demographic drought.

**PRIDESTAFF®**

## WHAT IS THE SANSDEMIC?

Sansdemic means “without people” or “without enough people.” It is a growing demographic drought, projected to worsen throughout the century, impacting every business, college, and region. In other words, there are more open jobs than people qualified – or willing – to fill them.

**Sansdemic** is a term coined by Lightcast, a leading provider of labor market data ([www.economicmodeling.com](http://www.economicmodeling.com)). Their research is discussed by Josh Bersin, Global Industry Analyst, in his publication Demographic Drought: How the approaching sansdemic will transform the labor market for the rest of our lives.

## EMPLOYERS ARE FACING A PERFECT STORM OF WORKER SHORTAGE:

- Baby Boomers are retiring.
- Birth rates are declining.
- Labor participation rates are shrinking.

And while the COVID-19 pandemic is not at the heart of this complex issue, it may have helped accelerate its progress.

**Here's how  
businesses can  
compete in this  
challenging  
landscape.**





## WHAT EMPLOYERS NEED TO KNOW ABOUT THE SANSDEMIC

Workers are retiring, but there are not enough new employees to replace them. Typically, two million baby boomers retire each year. In 2020, that number jumped dramatically to over three million, many citing COVID-related policies and concerns, according to Pew Research Center.<sup>1</sup>

## WHY THE INCREASE IN RETIREMENTS?

Boomers who had been postponing retirement because they enjoyed the structure and camaraderie of the workplace saw little reason to continue employment if they were no longer leaving the house. Others worried about their health in the face of the pandemic or retired to help their children juggle childcare or homeschooling with full-time jobs.

## WHERE DO RETIREMENTS LEAVE EMPLOYERS?

Companies are losing employees and institutional knowledge to retirement. Many of these retirees are leaving high-level roles and companies struggle to find talent qualified to fill their shoes. Millennials are the largest percentage of the workforce now;<sup>2</sup> can they make up the shortfall? Can Gen Z?

Not according to the numbers.

## A Snapshot of Today's Workforce by Generation



By 2028, the U.S. is expected to see a deficit of 6 million workers.



The Big Question Is:  
How will your business manage the sansdemic to stay fully staffed – and equipped for growth?



Let's take a look at what's ahead and how you can prepare.

<sup>1</sup> <https://www.pewresearch.org/fact-tank/2020/11/09/the-pace-of-boomer-retirements-has-accelerated-in-the-past-year/>

<sup>2</sup> <https://www.pewresearch.org/fact-tank/2018/04/11/millennials-largest-generation-us-labor-force/>



### **RETIREMENT IS JUST ONE OF MANY FACTORS IN THE TALENT SHORTAGE**

People are having fewer children, leaving their jobs, or opting out of the workforce entirely.



### **BIRTH RATES ARE DECLINING**

Beginning around 1970, the total fertility rate dropped below 2.1 as boomers averaged fewer than two children each per one woman,<sup>3</sup> despite having been born into families with an average of four children each. The total fertility rate (TFR) must equal 2.1 or higher to replace the current population.



### **THERE ARE NO SIGNS OF A POPULATION UPSWING**

The latest census shows the second smallest decade-long growth in America's history.<sup>4</sup> The pandemic only made things worse. The American birth rate fell for the sixth consecutive year in 2020, according to the U.S. Centers for Disease Control and Prevention (CDC) National Center for Health Statistics.

At 3.6 million births, 2020 had the lowest number of babies born since 1979.<sup>5</sup>



### **2.4 MILLION WOMEN LEFT THE WORKFORCE**

From February 2020 to February 2021, 2.4 million women separated from the labor force, compared to 1.8 million men, because of the demographics of the industries that were hurt by the pandemic and inequitably weighted family obligations.<sup>6</sup>

3 <https://www.pewresearch.org/fact-tank/2019/05/22/u-s-fertility-rate-explained/>

4 <https://www.brookings.edu/blog/the-avenue/2020/12/22/the-2010s-saw-the-lowest-population-growth-in-u-s-history-new-census-estimates-show/>

5 <https://www.bbc.com/news/world-us-canada-57003722>

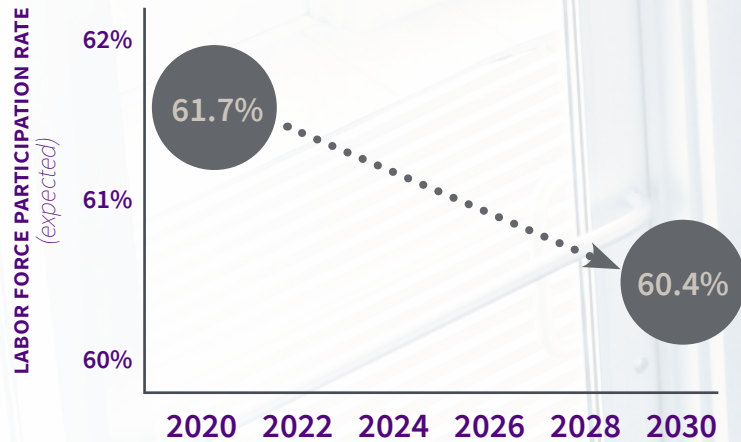
6 <https://www.bls.gov/news.release/pdf/ecopro.pdf>



## FEWER PEOPLE ARE ACTIVELY LOOKING FOR WORK

The labor force participation rate (LFPR) is at an all-time low, with thousands of Americans not seeking jobs

The LFPR is expected to decline from 61.7 percent in 2020 to 60.4 percent in 2030. Much of this decline can be attributed to young men without a college degree, still living with their parents, and not making employment a priority.<sup>7</sup>



Another factor is the number of prime-age men (age 25 to 54) absent from the labor force because of significant health conditions preventing them from working. Nearly half of them take opioid pain medication daily.<sup>8</sup>

## COVID'S LASTING IMPACT

As of March 2021, 19 million Americans filed for some form of jobless benefits, even though there were millions of jobs available. Workers did not apply because they felt unsafe, had no resources for childcare or were suffering the impact of long-haul COVID. Some employers believed extended unemployment benefits removed the incentive for people to return to the workplace.

**THESE FACTORS ARE CONVERGING TO TRANSFORM THE LABOR MARKET AND CREATE MASSIVE SHORTFALLS IN TODAY'S – AND TOMORROW'S – WORKFORCE.**

<sup>7</sup> <https://www.bloomberg.com/news/articles/2021-06-11/fewer-young-men-are-in-the-labor-force-more-are-living-at-home>

<sup>8</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6364990/>

# WHAT'S THE SOLUTION TO RESOLVING THE TALENT SHORTAGE?

In the long term, some look to immigration to close the gap, but immigration has decreased in recent years, in part because of immigration restrictions.<sup>9</sup> Also, many other countries are facing the same population decline. Incentives designed to raise birth rates are one long-term strategy but won't help current or near-future talent shortages. AI and other technology can contribute by taking over some tasks, but in most cases, they cannot replace humans on the job.

On the following pages, we review strategies to beat the demographic drought by finding, keeping and optimizing the value of great people.

## TAKE A PROACTIVE APPROACH TO WORKFORCE PLANNING

- Analyze your current talent inventory
- Anticipate future hiring needs
- Identify required skill sets
- Conduct gap analysis
- Understand hiring market dynamics
- Build your ideal workforce
- Develop strategies for succession planning

## ADAPT YOUR TALENT ATTRACTION STRATEGIES TO LEVERAGE WHAT WORKS NOW

Companies are looking for new ideas to address talent shortages. Here's what's working to attract great workers in today's environment:

- Determine your ideal recruiting methods
- Update and expand job descriptions
- Explain the "What's In It For Me" for potential candidates
- Strengthen your employment brand
- Launch an irresistible referral program
- Build a compelling career site

<sup>9</sup> <https://www.brookings.edu/research/what-the-2020-census-will-reveal-about-america-stagnating-growth-an-aging-population-and-youthful-diversity/>



## CREATE A GREAT CANDIDATE EXPERIENCE

Job seekers assume every interaction with your company is a preview of what it's like to work for you. Don't lose top talent early in the game with careless processes or communication. Be friendly, honest, and transparent, and make sure your entire team is as well.

- Audit your candidate-facing technology and brand messaging to make sure you welcome potential candidates, create a great first impression and position your company as one that values its employees.
- Leverage social media to showcase why your company is a great place to work.
- Simplify job seeker intake, making it easy to search for jobs, and apply on both mobile and desktop.
- Work to create a consistent hiring process, whether it's conducted virtually or in person.
- Communicate clearly and often to keep applicants informed and engaged at every stage of your hiring process.

## UPDATE YOUR IDEAS ABOUT WHAT MOTIVATES PEOPLE AND ADAPT

Companies are raising wages, improving benefits, and increasing investment in development and career growth – that's a great start. Provide other incentives that appeal to millennial and Gen Z candidates like flexible hours, remote or hybrid work, and take the time to recognize a job well done.

- Provide a clear path for growth, development, and promotion.
- Create a positive culture with values and impact.
- Keep technology up to date.
- Communicate regularly and solicit feedback.

## OFFER THE BENEFITS TODAY'S TALENT WANTS

- Health insurance
- Paid time off
- Schedule flexibility
- Parental leave
- Professional development
- Retirement plans
- Student debt help
- Tuition assistance
- Volunteer time off (VTO)



## IMPROVE EMPLOYEE EXPERIENCE

Companies are investing in tools to make the workplace safer, keeping IT systems up to date, increasing emphasis on values and social responsibility, and focusing on building a positive company culture. Make your company a more enjoyable and rewarding place to work to increase engagement and retention.

Additional perks and benefits that can contribute to employee satisfaction without busting the budget include:

### FLEXIBLE WORK OPTIONS

If you are able, allow employees to choose their hours or work from home, they will appreciate it, even if it's only permitted under certain circumstances.

### FAMILY-FRIENDLY BENEFITS

Provide lactation rooms, allow employees to bring children to work in a pinch, and choose insurance plans that include domestic partners.

### VOLUNTEER TIME OFF

Offer opportunities for employees to give back to the community, volunteer for social causes that are important to them.

### WELLNESS PERKS

Quiet rooms, fitness activities, running clubs, standing desks, vaccination clinics, health screenings and stress reduction programs are among the most popular, but surveying your employees will give you more accurate results.

### PHASED RETIREMENT

Keep top talent on the job on a part-time or contract basis. Make it an open-ended arrangement or one with a specific target date. They can mentor employees or document their knowledge in the time they have remaining.







## GET CREATIVE WITH EMPLOYEE RETENTION TACTICS

Avoid costly turnover by focusing on employee retention at every step of their tenure. Set clear objectives to ensure new hires understand the requirements and advantages of the job. Open communication is a meaningful aspect of a mutually beneficial relationship.

### ONBOARDING

Get the new employee on solid footing from day one. Include in-person and virtual onboarding options as needed.

### TRAINING AND DEVELOPMENT

Offer multiple learning platforms for employees to learn at their own pace and increase their value to the organization as well as build their own skills. Create clear 3- to 5-year career paths for employees.



### ENGAGED MANAGEMENT

Regular communication, feedback and professional development demonstrate that you value your employees. In every age group, workers would rather know immediately that they are doing a good job or need improvement.

### STAY AND EXIT INTERVIEWS

Make it easy for employees to share what keeps them with your company or why they choose to move on. Many businesses conduct exit interviews. If an employee is forthcoming, you can learn what you can do better. Often, the exiting employee is already focused on their new job or too afraid of burning bridges, to be completely honest. Why not add stay interviews or surveys? Find out what keeps happy employees around instead of solely focusing on the negative.

## RECRUIT BEYOND TRADITIONAL DEMOGRAPHICS

Many organizations have diversity, equity, inclusion, and belonging (DEIB) programs in place to cast a wider recruiting net when they are looking for talent. But diversity is far-reaching. It can go beyond race, gender, ethnicity, nationality, and sexual orientation to include those with disabilities, the neurodivergent or people who need a second chance, such as those leaving incarceration or rehabilitation.

### LOOK FOR TRANSFERABLE SKILLS WHEN RECRUITING

Don't pigeonhole recruiting efforts to your industry. You might be surprised by the skills workers can bring from other jobs. A quick keyword search on LinkedIn could be eye-opening. Consider also military veterans who bring not only their job skills but also leadership, loyalty, and a willingness to learn.

### OTHER RECRUITING BEST PRACTICES:

- Work with higher education to create programs that meet the current needs of employers.
- Be vigilant about retaining and growing talent by offering upskilling or reskilling opportunities to current employees.
- Provide on-the-job training for new hires, rather than expecting them to arrive fully trained.







# *partner with* **PRIDESTAFF®**

PrideStaff is strategically the ideal partner to help you beat the talent shortage. PrideStaff can help you build a comprehensive workforce plan to overcome the demographic drought, including:

- Forecasting talent requirements and shortages.
- Proactively planning to close skills gaps.
- Creating an actionable staffing and recruiting strategy.
- Uncovering hidden talent markets.
- Presenting your company as a destination employer.
- Making it simple for candidates to apply and get to work.
- Gaining an understanding of regional and industry talent markets.
- Improving productivity, retention, and engagement.
- Developing a succession plan to pass on institutional knowledge.
- Backfilling positions left vacant by internal promotions.

## **ABOUT PRIDESTAFF**

PrideStaff was founded in the 1970s as 100 percent company-owned units and began staffing franchising in 1995. We operate over 85+ offices in North America to serve over 5,000 clients. With more than 40 years in the staffing business, headquartered in Fresno, CA, all PrideStaff brands offer the resources and expertise of a national firm with the spirit, dedication, and personal service of smaller, entrepreneurial firms.



## Let PrideStaff Help You Overcome the Growing Sansdemic

Contact us today to discuss how we can help you access qualified staff, hire and develop top talent, and build an engaged workforce that will fit, stay, and perform.

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### **Our Mission:**

Consistently provide client experiences focused on what they value most.