



## How Employers Can Build Meaningful Connections with Job Seekers

PeopleReady surveys job seekers and business owners to gain insights about the Great Resignation

# Analysis of the Changing Workforce Landscape

Covid-19 and the resulting labor shortage have strained industries nationwide, with the number of job openings in the U.S. exceeding 10 million each month since June 2021, according to the Bureau of Labor Statistics. Meanwhile, over 47.4 million Americans quit their jobs voluntarily in 2021 as part of the Great Resignation.

PeopleReady **surveyed more than 500 business owners** who answered questions pertaining to the post-pandemic hiring market. Their responses provide insight into the hiring situation and help predict how recruiting will be different in the future. We also **surveyed more than 700 job seekers** who shared their perspective on the job market and what matters most to them in their careers. Their responses can guide employers on how to improve their recruiting process to attract top candidates.



# Workforce and Hiring Challenges Take Center Stage

As of September 2022, there were more than 10.1 million job openings nationwide, according to the Bureau of Labor Statistics. Employers are having the toughest time filling hourly, entry-level and midlevel nonmanagerial positions, <u>especially in sectors such as manufacturing</u>, <u>hospitality and food service</u>, notes a Society of Human Resource Management study.

A majority of respondents in our survey say they are struggling to fill open positions due to a lack of candidates. These vacant positions can have a number of profoundly negative effects on businesses — whether that's additional overtime costs, reduced productivity and lower quality of service, or high employee turnover due to added stress and responsibilities.

WHAT HAS BEEN YOUR GREATEST HIRING CHALLENGE DURING THE LAST SEVERAL MONTHS?

Too few candidates

0nboarding

15%

### **KEY TAKEAWAY**

Besides a shortage of workers, the process of obtaining new workers was also cited by some employers as a significant issue. Employers that rush through hiring and onboarding processes run the risk of choosing the wrong candidates or providing insufficient training. This can lead to major errors, safety concerns and employee turnover.

# **Job Search Challenges Among Today's Workforce**

The Covid-19 pandemic changed the circumstances of many people in the job market. Their perspectives on work have changed as well. In 2021, 47.4 million American workers voluntarily guit their jobs, a record number, according to the Bureau of Labor Statistics. In addition, many older workers retired during the pandemic, taking their experience with them.

Now, millennials make up over one-third of the U.S. workforce, according to Pew Research. More recent generations have different needs and different values when it comes to their work. Amidst a hot job market with ample opportunities, job seekers and candidates are more selective as they search for jobs and consider offers of employment. Somewhat surprisingly, 54% of respondents in our survey said it had been difficult to find a job in the past three months.

## **KEY TAKEAWAY**

Job seekers recognize favorable conditions in the job market and 75% of our respondents said they were interested in considering their options. However, there's a mismatch between the types of jobs that are available and the willingness of people to fill them. Even with a record number of open positions available, many workers report that it's difficult to find new jobs that meet their preferences.

### **ARE YOU CURRENTLY LOOKING** FOR OTHER EMPLOYMENT?

38% I am open but not

actively looking

21%

I am not looking for other employment

25%

16%

I am actively looking for a new job I am not looking for other employment

### WHY DO YOU THINK YOUR JOB **SEARCH HAS BEEN DIFFICULT?**

(multiple responses allowed)

43%

37% There are more

applicants than usual

The type of job I want is not hiring

27%

The qualifications in my industry or job types have changed since the pandemic

25% The industry I work in hasn't recovered

from the pandemic

## 15%

Other (age, health concerns, child care issues)

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# Work Preferences of Today's Job Seekers

So, what do today's job seekers really want? Given the competitive hiring market and current inflation rates, many of them are looking for better compensation regardless of their industry or role. When asked what is most important when choosing a company, 43% of respondents said good pay or salary, while others cited stability (19%), strong company culture (13%) and opportunities for growth (10%).

Meanwhile, they want more satisfying positions that offer a better work-life balance. A flexible schedule allows people to succeed at work while managing other life responsibilities such as education, volunteer activities or caregiving duties for children or elderly relatives. When asked what they were looking for in a new job, **44% of respondents said flexibility in their schedules.** 

### **KEY TAKEAWAY**

While competitive wages continue to be a significant factor for job seekers, other benefits, such as the company's culture and opportunities for advancement, also play a major role in their job search.

# culture (13%) and 27% 25%

Opportunity for advancement

To help impact people's lives

WHAT IS THE MOST VALUABLE THING

YOU CAN HOPE TO GAIN WHEN

**FINDING OR ACCEPTING A JOB?** 

**23%** 

new skills

**19%** To be part of a strong team

**10%** 

To help make a difference in the community



# Temporary Jobs Becoming the Norm

If they have been unable to find enough full-time employees, many employers have elected to bring on temporary workers to fill their workforce gaps. Since the recovery from the Great Recession in 2008–09, temporary employment has increased by nearly 1 million jobs, notes Staffing Industry Analysts.

According to data from the Society for Human Resource Management, <u>the average cost</u> <u>per hire</u> is nearly \$4,700. Using temporary workers can be a cost-effective way to meet fluctuating staffing needs and flex quickly in times of unexpected demand. Plus, temporary workers are a cost-effective way to backfill for employees who are using vacation time or have unexpected personal events such as family or medical.

Given their difficulty connecting with job seekers, employers are increasingly turning to staffing providers to support their recruitment efforts. Temporary jobs supplied by temp agencies <u>reached a new high of 3.2 million</u> in the U.S. in 2021, notes the American Staffing Association. **Eighty percent of respondents in our survey reported that temporary employees were important to extremely important to their workforce during the past year.** 

### **KEY TAKEAWAY**

The rise in importance of temporary jobs during the pandemic has been undeniable as businesses look to navigate an unpredictable climate. Temporary workers have become increasingly vital for businesses looking to maintain operations during post-pandemic times.

### WHY HAVE YOU STARTED USING MORE TEMPORARY EMPLOYEES?

**34%** We need more workers

29% We need to scale quickly

**29%** We experienced a change in staffing necessities



# How Technology Is Helping Improve the Hiring Process

More and more employers are also incorporating mobile-optimized processes into their staffing process to improve candidate experience and win the battle for workers. Job applications submitted via mobile devices in 2021 surpassed those submitted via desktop, according to an Appcast analysis of some 7 million applications to nearly 1,300 U.S. employers.

Mobile job search apps offer a variety of features for job seekers: flexibility, faster compensation and the ability to work shifts that match their skills and schedule. Meanwhile, with access to a larger pool of candidates, employers have started using the apps to find the workforce they need to maintain or grow their business. **Eighty percent of respondents in our survey said they were "likely" or "very likely" to use these apps for future recruitment efforts.** 

## **KEY TAKEAWAY**

Mobile and app-based recruitment practices can help employers optimize their hiring process and keep candidates engaged. The benefits include improving communication and shortening response time, which, in turn, reduces time-to-hire and helps employers use their resources more efficiently.

### IF YOU USE A STAFFING APP CURRENTLY, HAVE YOU INCREASED YOUR USAGE IN THE PAST YEAR?





# **Recruitment and Retention Strategies for the Future**

In response to the labor shortage, today's employers have tried different perks to attract new workers. In the wake of the Great Resignation, 51% of workers report their employers have <u>added new or increased</u> <u>existing benefits</u> during the first half of 2022, according to a survey conducted by The Harris Poll for Fortune. Improved dental and vision benefits were among the most commonly reported benefit expansions. Other options included health and wellness stipends and skill development and training opportunities.

To fill the labor gap, some employers have also increased pay. In September 2022, wage growth was up 5.0% year over year, the biggest annual increase in more than two decades, according to the Federal Reserve Bank of Atlanta. Others <u>are offering incentives</u> such as signing bonuses and instituting workforce development programs that emphasize training and education, per a CNBC report. Meanwhile, benefits such as paid family and medical leave and health insurance along with flexible scheduling are being offered in order to help employees achieve a better work-life balance.



### HOW TO IMPROVE YOUR ABILITY TO ATTRACT AND RETAIN WORKERS

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**Offer competitive compensation** for your industry and local market. With wages and salaries on the move, it's important to check on this frequently.



**Ensure you have a plan in place for backfilling jobs** held by those who are retiring or are otherwise leaving the workforce. If unexpected needs arise, consider filling the gap with a temporary worker.



Get creative and consider **benefits like flexible scheduling** to allow employees to adjust their work hours to accommodate child care and other responsibilities.

Provide prospective employees with a **strong value proposition** so that they understand the benefits of working with you instead of a competitor.

# **Summary of Results**

- The U.S. is currently facing record-high resignations: Over **4 million Americans have quit their jobs each month** since June 2021 as part of The Great Resignation, per BLS data.
- For job seekers, it's a good time to be seeking new employment. As of September 2022, there were **more than 10.1 million job openings** nationwide in a variety of industries, according to the BLS.
- Many employers are offering higher wages in part to attract new candidates: Wages and salaries are **up 5.0% year over year as of September 2022**, according to the BLS.
- While there is a record number of open positions available, many workers are finding
  it difficult to find new jobs that meet their preferences. Higher wages are not the only
  consideration for job seekers. Scheduling flexibility and career development opportunities
  are also important as they assess their options.
- Employers are **increasingly turning to staffing providers and new staffing technology** for support in their recruitment efforts. Mobile staffing apps supported by traditional staffing providers have grown in popularity since the beginning of the pandemic.





PeopleReady, a TrueBlue company, connects employers with job seekers throughout North America. We put a Workforce Within Reach<sup>™</sup> across a variety of industries, including hospitality, retail, manufacturing, construction and more. Leveraging our game-changing JobStack mobile app and serving more than 650 markets across all 50 states, Puerto Rico and Canada, PeopleReady put more than 218,000 people to work in 2021. If you're struggling to find workers in this competitive market, visit peopleready.com.