

J&J STAFFING RESOURCES

**It's Time to Wake Your
Organization Up from the
Labor Shortage Nightmare**

The Labor Shortage Nightmare

Since March 2020, employers in the United States (and across the world) have had to adapt quickly to changes in their marketplace due to the pandemic.

From lockdowns to supply chain disruptions, these challenges have affected every aspect of their operations, including their staffing efforts.

In the Fall of 2021, these same employers have overcome many of these obstacles and adapted to a "New Normal."

But another unique challenge has emerged that may have caught some companies off guard, especially when you consider where the country was a year ago:

Employers can't fill requisitions and meet demand because they can't find skilled people to fill their openings.

There have been labor shortages throughout history, but this one is a bit different because of the conditions that caused it and how they may have shifted the tide on staffing for good. In this eGuide, we will focus on the here and now because we want you to emerge from this labor shortage stronger than ever before. We hope many of these tips will help you in the future as well to find high-quality candidates who will help you succeed and grow.

NOW LET'S GET TO WORK...



What is a labor shortage?

A labor shortage happens when there are more jobs than workers.

Okay, it's a little more complicated than that, but this is a good place to start. In a labor shortage, employers cannot find sufficient candidates with the necessary skills and experience to fill their desired roles. Everything from World Wars to labor disputes and even emerging technology has caused past labor shortages. The 2020-2021 labor shortage has several unique characteristics because of the pandemic and the subsequent lockdown and government intervention to ensure people and businesses could withstand serious financial obstacles while remaining safe.

- 1 Many schools transitioned to virtual learning, which meant that parents had to stay home during the pandemic to provide supervision.
- 2 The lockdown affected some industries, like hospitality and restaurants, disproportionately. Some workers decided not to return out of fear of the virus or to change careers.
- 3 The Federal and state governments bolstered unemployment benefits and passed direct stimulus to the unemployed and middle and low-wage workers to help them stay afloat during the pandemic. While some of these programs have expired, they did give workers more time to review their career options more closely.
- 4 There's a mismatch between employers' and jobseekers' expectations of the labor market. Some employers are sticking to their pre-pandemic recruiting gameplan, but many job seekers are holding out for better pay and working conditions.
- 5 We have an aging workforce without an adequate number of workers to replace them. Fewer students are going to tech and vocational schools, and many candidates do not have the training or experience with the technology and processes to fill the openings.

Did You Know?

The United States had an unemployment rate of 14.8% in April 2020; this was the highest rate ever observed since data collection began in 1948. In February 2020, the unemployment rate was 3.5%, which meant that the economy lost millions of jobs in a few short months. In July 2021, the unemployment rate was 5.4%, so unemployment is still higher than pre-pandemic levels, even as employers struggle to find workers. This means it's possible the labor shortage could last months or even years longer, especially if skills gaps remain or if employers don't adapt and appeal to job seekers who continue to hold out for better wages and work conditions.

How can a labor shortage affect your company?

If you are reading this eGuide, there's a good chance you probably already know how the pandemic and the current labor shortage are affecting your company. Here are four common complaints we have heard from our clients:

- ◆ **Reduced Capacity:** Many employers say they can't fulfill requisitions or meet demand because they don't have the people to manufacture or ship them. Some restaurants have been forced to close for good because they don't have the staff to keep up with customer orders.
- ◆ **Missed Deadlines:** Even if companies fulfill their orders and maintain operations, many report missing deadlines or experiencing significant delays.
- ◆ **Low Employee Morale:** Those in the office or floor are working harder than ever to keep up with demand. Over time, this has caused a significant reduction in morale and overall well-being.
- ◆ **High Employee Turnover:** If employees have low morale, feel physically and emotionally sick, and are not satisfied with their working conditions, they are more likely to quit. And many are, which only raises the stakes further for companies.



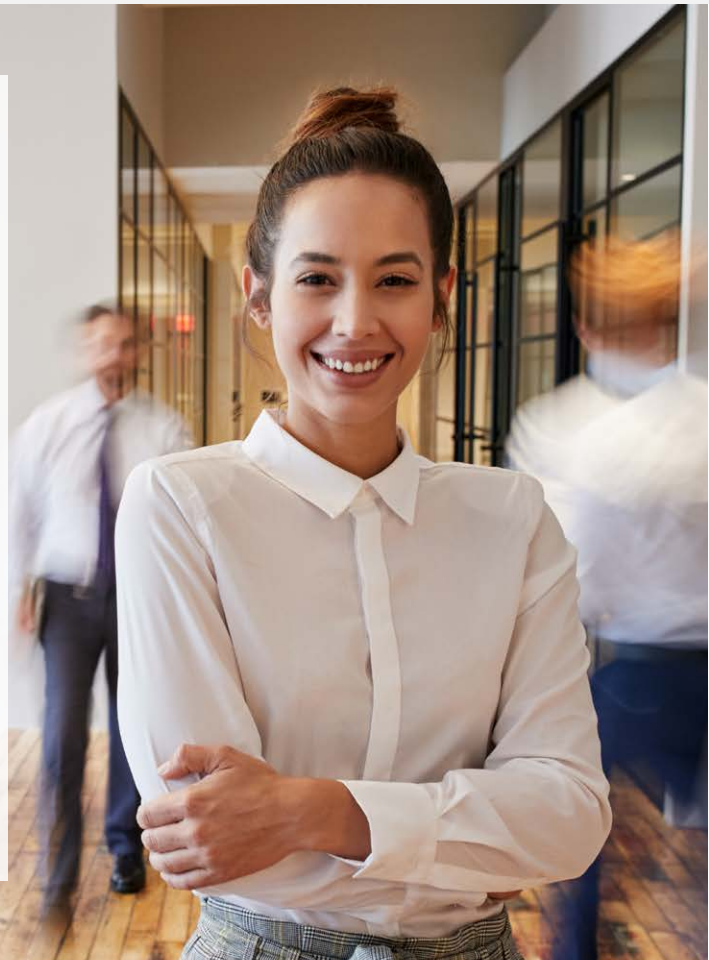
Does your organization stand out in your local employment market?

We have discussed some causes of the current labor shortage and labor shortages in general. We have also explained how a labor shortage could affect your company now and down the line. Now we're going to ask you two hard questions before we offer up a few solutions to help you in this highly competitive market.

- ◆ Are you relying on dated recruitment methods or philosophies?
- ◆ Are you proactive?

We can't stress enough the importance of being proactive when it comes to recruitment. If you are waiting for candidates to come to you or not trying to understand your local employment market, you will not get the outcomes you want. The most successful companies that weather the storm are the ones that assess and apply what they've learned to improve their practices.

Recruitment methods and philosophies developed in the 90s, 2000s, 2010s, and even right before the pandemic are likely irrelevant in today's employment market. If you are unsure or think you may need outside help to improve your recruiting, we encourage you to check out our [10-Point Staffing Assessment](#), which will help you gauge where you stand in your local employment market.



Get Tips from the Staffing Experts

Over the past year J & J has worked with thousands of companies to address their staffing needs. We are currently recruiting for hundreds of our clients' open positions. Want to know where your open position stands in your employment marketplace; compensation, benefits, schedule, work environment? We have the real evidence to help you compete and win the best candidates in your area.

How can staffing agencies help organizations in a tighter labor market?

One way you can take action and find the best recruits for your organization is by hiring a staffing agency. It is by no means the only way you can enhance recruitment (you can absolutely make improvements to your recruitment framework in-house). Still, it is one that we know works because we have helped thousands of employers find high-quality candidates in every job market. Here are four ways a staffing agency might be able to enhance your company's recruitment efforts:

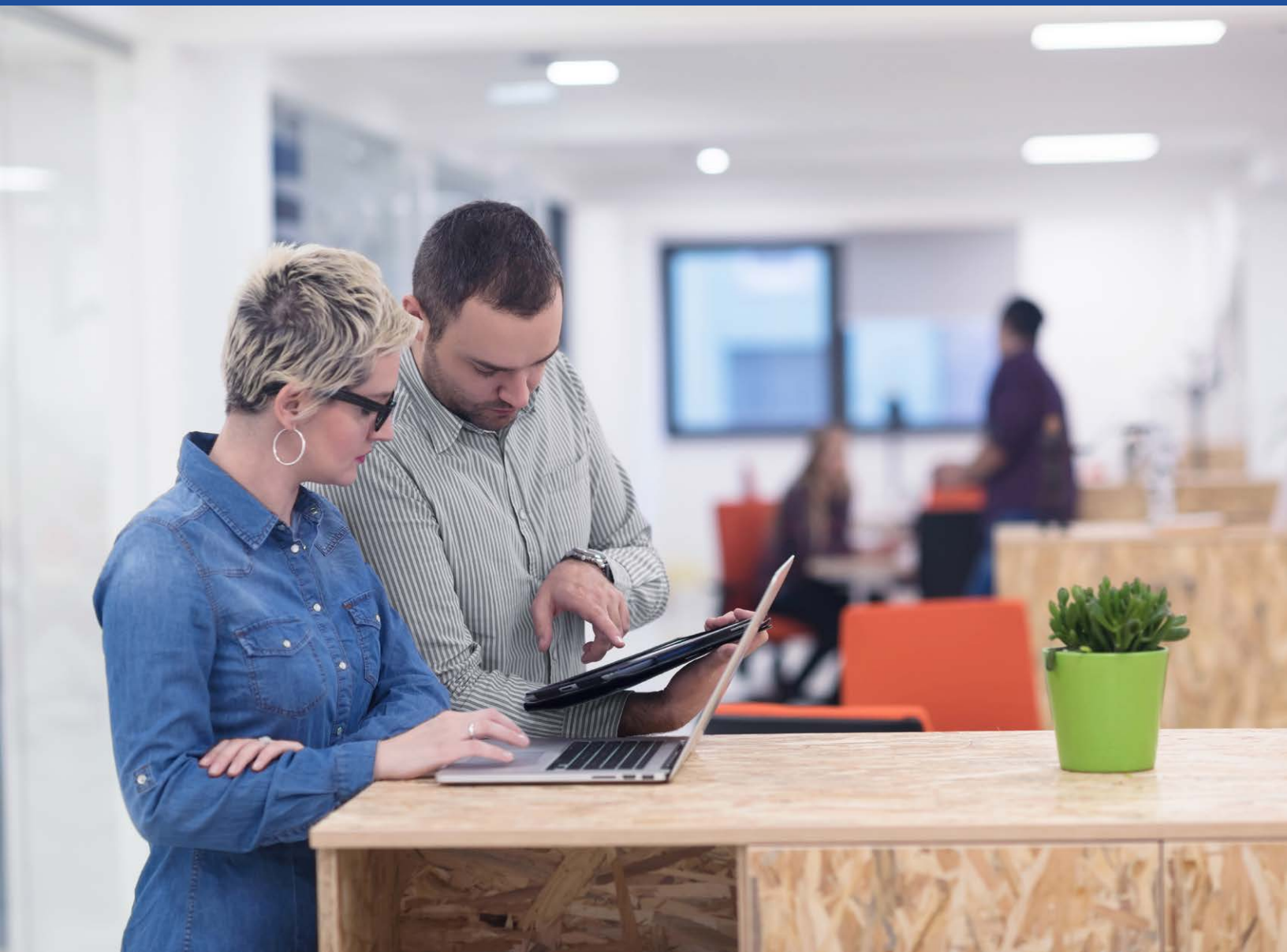
- ◆ **Experience and Expertise:** To give you an idea, J & J Staffing has been in the staffing industry since 1972. We understand how to staff in a wide range of industries with various market conditions because of this experience. We focus on staffing, which means we hire and train team members to become staffing experts.
- ◆ **Speed and Focus:** Your company has a direction or primary objective in your industry. A staffing agency will be focused on staffing and placement. It will likely act and respond faster than an in-house HR department stretched thin with other organizational tasks.
- ◆ **Network:** A staffing agency will usually maintain a detailed candidate database of past applicants and temporary employees so that they can fill openings quickly and efficiently. Your company will be able to take advantage of this network and candidate pool to find the best people for your openings.
- ◆ **Company Initiatives:** A staffing agency will not only work with you on developing a job posting and focus on recruiting high-quality candidates. It will also perform any screening in advance so you are left with the best few candidates who should be suitable for the role. This will allow you and your current staff to focus on other high-priority initiatives.



How Do I Choose a Staffing Agency?

We recommend meeting internally with your leadership team to develop a framework for comparing and vetting staffing agencies. While your process will likely be unique to your organization, here are a few questions you should include as you speak with staffing agencies to find the best match:

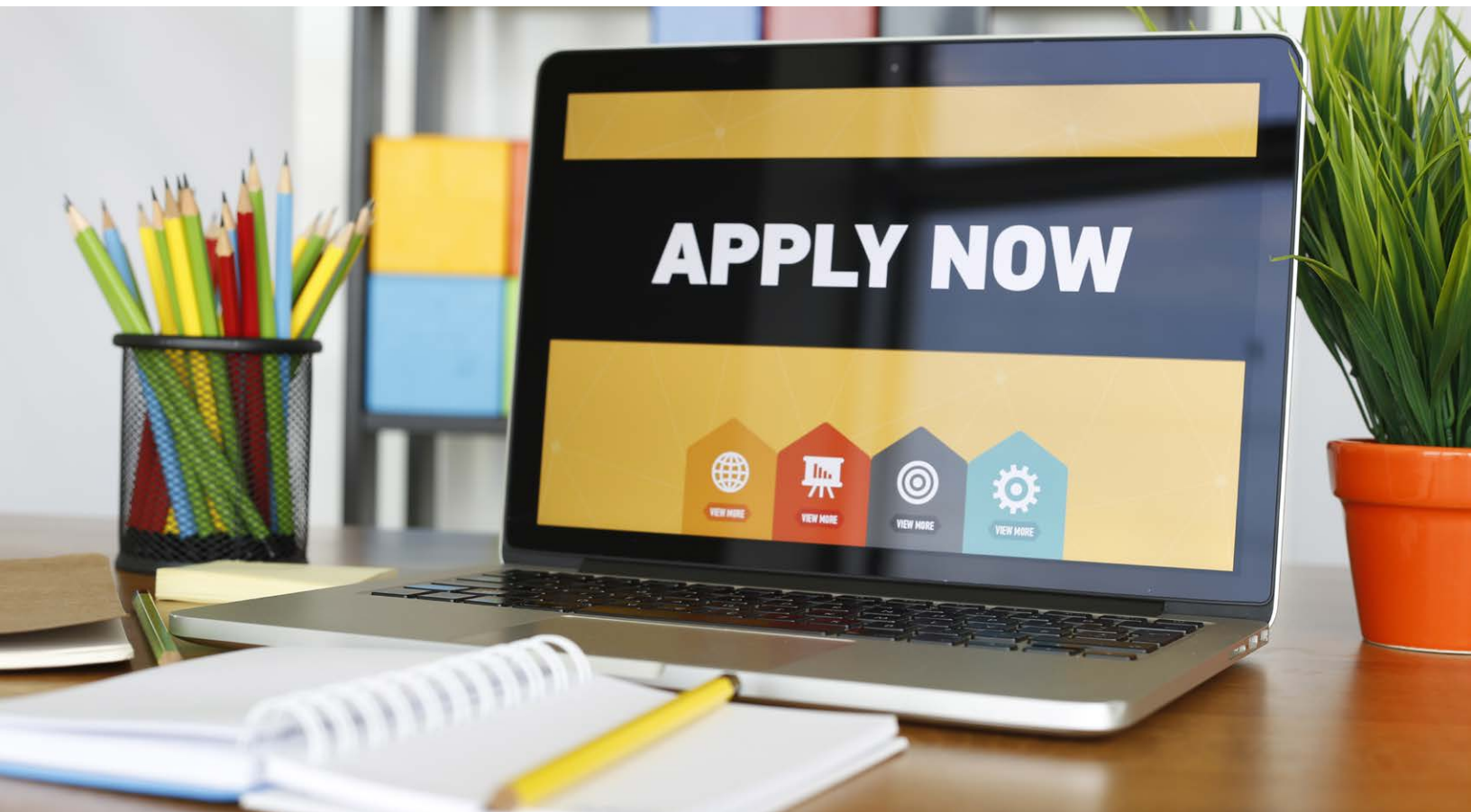
- ◆ What are your experience and specialties?
- ◆ What services do you offer?
- ◆ How do you approach staffing?
- ◆ Who will we be communicating with on a day-to-day basis?
- ◆ What is your rate?
- ◆ How does the rate align with the services you will provide?



Anatomy of a job posting. How to create a listing.

You only have one chance to make a good first impression. A job listing is often the first interaction a job seeker will have with a hiring company. Whether you work with a staffing agency or create a job listing internally, there are several components you will need to include (besides the job title and location) to attract the right candidates and eliminate any confusion or unnecessary back and forth.

- ◆ **Compensation:** Provide an hourly or salary range to let candidates know right away if it matches their expectations.
- ◆ **Required Skills and Experience:** List desired skills and experience needed to complete the job.
- ◆ **Any Training Provided:** If you do provide training, include it in the listing to encourage job seekers to apply even if they don't have every single skill checked off.
- ◆ **Scheduling and Work Environment:** Will the job be onsite, hybrid, or in a remote environment? This is becoming very important as job seekers weigh their options regarding work-life balance and safety.
- ◆ **Type of Employment:** List whether the job will be temporary, temp-to-hire, or a direct-hire position. If you want to know more about each employment type, we prepared [a short article](#) on the different types of employment.



What should I do if I'm still not filling open positions?

We hope these recommendations help you find great people to propel your company forward in the post-pandemic economy. Unfortunately, you are competing with other companies in an unsure labor market, and you may need to make a few adjustments along the way. Remember when we talked about being proactive and not sticking with recruitment methods that aren't producing desired results? Here are some things to consider to enhance your chances of landing the best people for the job:

Expand Your Talent Pool

There are several ways you can go about reaching a larger pool of people. The easiest way could be increasing the compensation and any additional perks to attract more candidates with the correct skillset. If this is not an option, you can also reduce the required skills listed in your job post or turn the opening into a direct-hire position to give candidates a greater assurance that this will be a long-term career option.

Amend Your Hiring Process

When there's high demand and short supply, the companies that act faster will land the best recruits. The days of waiting a long period to extend a job offer or scheduling multiple interviews over several weeks are long gone. You should have a sense of urgency as the best candidates will likely have multiple offers to consider. Consider having numerous interviews on the same day with relevant personnel and a process to extend job offers quickly to the most talented candidates you meet.

Offer More Training

If you can't offer more compensation and need to have someone there who can be successful relatively early on, consider implementing more training in the onboarding process. This will allow you to require less experience at a lower compensation rate. You will also have more control over how employees perform their tasks per your standards, not what they may have learned elsewhere.





Are you ready to get to work?

We hope you are now prepared to go out there in the labor market and find great people to help you succeed. If you have any additional questions or would like to learn more about our staffing services, we encourage you to contact us today to learn more. Thank you for taking the time to read our guide!

Contact Us Today

