



**PT WORK** Force

## **Winning the War for Talent**

#1 in a six-part webinar series

February 16, 2022

Presented by Alex Chausovsky, Director of Analytics & Consulting, Miller Resource Group

### **Labor Market Shifts and Expectations**

During the past two years, the labor force declined by two million people. The current unemployment rate of 3.9.% is one of the lowest in history and lower than prior to the pandemic, confirming how tight the workforce is. The labor force has declined by 2.1 million workers since the start of the pandemic in February 2020.

The latest data (as of Dec. 2021) shows that companies have an average of 10.9 open positions listed on sourcing sites. Manufacturing has 850 thousand job openings. Manufacturers are competing with other companies in similar verticals but also other sectors. Manufacturing jobs have the same education and skills requirements as construction and even healthcare, and many require production and hourly staff.

Today's recruiting and retention game is very different, and organizations need to make a clear commitment to changing their approach to track, hire and retain talent. This includes dedicating the necessary energy, effort and time to developing a talent strategy—something few organizations do. Status quo is no longer acceptable. Companies must adapt, evolve, challenge and change when it's needed.

There are massive shifts in people's approach to work and companies must consider these talent demands and disrupters:

- Hybrid and remote work
- Labor supply
- COVID vax requirements
- Wages and inflation

64% of companies don't have a talent strategy and 9% don't think they need one, demonstrating a clear call to action. Delegating talent strategy development to the HR department is not enough. Executive leadership must be involved and willing to commit the time and resources to planning and creating a roadmap for one year, 3 years and 5 years from now. Companies that don't do this will be left behind.

### **The Three Pillars**

A comprehensive talent recruitment and development strategy should evaluate and address three pillars.

- A–Attracting: How do we convey our message effectively? How do we market ourselves and open positions? Do we use the typical means and job sites? Is our website attractive? You need to do an audit and where you fall short, you’ll need a plan.
- H–Hiring Practices: Many small and medium-sized companies have a lot of holdover processes like multiple interviews where candidates are asked the same questions again and again. If companies do not have a dedicated HR individual, there can be inconsistency in reaching out to candidates and keeping the hiring process on track and timely. This needs to be resolved.
- R–Retention: It’s more expensive than ever to lose key talent, especially those with experience. It’s imperative to implement tangible and meaningful programs that regularly assess how employees feel and encourage discussion on how they feel about the organization. Companies must listen and act.

## **The Value of Partnerships**

Organizations need ammunition and partners. A relationship with a good recruitment firm is paramount to success. In 2020, organizations spent \$140 billion on recruitment; \$17.6 billion of that was spent on placement firms. Companies think of recruiters as negative things, but much like you hire a realtor because they understand the demands of the housing market, a recruitment firm provides a similar service. An advisor can offer explicit industry insight, knowledge and help guide you throughout the entire talent strategy spectrum.

*Looking for more insight and resources to help with your hiring and retention efforts, visit [ptda.org/PTWorkForce](https://ptda.org/PTWorkForce), or contact Tracy Weber, senior director, PTDA Foundation at [tweber@ptda.org](mailto:tweber@ptda.org)*