New Strategies for an Evolving Workforce

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• U.S. Chamber recently reported 9.8M open jobs, 5.9M unemployed workers

• National unemployment rate is 3.5%

• The civilian labor force participation rate fell from 66.8% (2001) to 61.7% (2021)

• Millennial data from the internet:
  • Fastest growing segment of labor force
  • Average job tenure 3 years; 21% have changed jobs in the last year
  • 66% work full-time, 75% of those work more than 40 hours per week
  • About 1 in 4 rely partially or total on gig economy work
  • About 1 in 4 have 2 or more jobs
Other Observations

- Wage inflation, quality of life, and job satisfaction as they affect job turnover
- Virtual workforce/jobs as a huge factor
- Four-year degrees matter less and less in some fields
- The pandemic caused an impact on those not traditionally affected by economic downturns
- Pre-pandemic, it was all about upskilling .... now it’s upskilling as a subset of reskilling
- Other life issues are becoming bigger factors for employers; e.g., housing
Now Hiring

Employer Issue 1
Talent Shortages

- Hiring pools and processes
- Retention and turnover
- Nontraditional job seekers
- Service level challenges
- Technological advancements
- Starting to see some rebound hires
Employer Issue 2
Increasing Labor Costs

- Workforce planning and staffing
- Compensation and benefits
- Training costs due to turnover
- Pricing and competitiveness
- Technology
Employer Issue 3
Changing Workforce Demographics

- Multiple Generations
- DE&I
- Aging Population and Delayed Retirement
- Globalization and International Talent
- Gender Equality and Women in Leadership
The Future of Work through an Employer Lens

1. Evolving Nature of Work
2. Automation and Artificial Intelligence
3. Skills Emphasis and Lifelong Learning
4. Focus on Employee Well-Being
Evolving Nature of Work

- Technological Advancements
- Uncovering and Uplifting Hidden Workers
- Reskilling/Upskilling Existing Workforce
- Customer Expectations
- Where Work is Performed
Automation and Artificial Intelligence

- Impact on Job Market
- Automation of Tasks
- Skills Requirements
- New Roles and Opportunities
- Collaborative Workforce
- Ethical Considerations
- Adaption and Agility
Skills Emphasis and Lifelong Learning

- Technical Skills
- Soft Skills
- Industry Specific Knowledge
- Leadership and Management Skills
- Problem Solving and Critical Thinking
- Communication and Presentation Skills
- Cultural Competence and Diversity
- Life Long Learning and Adaptability
Focus on Employee Well-Being

- Increased Productivity
- Improved Employee Engagement and Retention
- Reduction in Absenteeism and Presenteeism
- Enhanced Employer Branding
- Lower Healthcare Costs
1. Earn and Learn strategies

2. Short-term training….the need to continue to shorten it

3. Apprenticeships
   - Expanded industries
   - Federal legislation
   - Both Employer and Labor perspective

4. Workforce reauthorization

5. Public assistance work programs

6. Prisoners returning to communities

7. Credentialing, licensing, and certifications
How Government Can Support Employers

- Workforce Development Programs
- Job Placement Services
- Labor Market Information
- Flexible Labor Regulations
- Wage Policies
- Incentives for Job Creation
- Research and Development Support
- Support for Small and Medium-sized Enterprises (SMEs)
- Addressing Inequality and Discrimination
- Social Safety Nets
Possible Framework Topics for Discussions in Your State

1. How to increase labor force participation
2. Trends – industry, population, technology
3. The difference between public and private sector labor market issues
4. Reskilling strategies
5. Earn and learn strategies
6. Public/private partnerships
7. Supports that make it easier for employers to hire and retain employees
8. Economic data – mixed signals