

Where Are the Workers?: Understanding the Post-COVID Labor Shortage

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Overview

The onset of the COVID-19 pandemic in March 2020 turned the labor market upside down. Job losses shot up and many businesses, especially small ones, saw significant drops in revenue. As we continue to assess the ongoing impacts and adjustments brought on by COVID, data suggest that there has been a relatively quick and strong recovery in North Carolina when it comes to job growth. In fact, recent data from the US Chamber of Commerce show that North Carolina has more jobs than workers - 61 workers available for every 100 job openings.

To better understand the challenges, changes, and opportunities that COVID-19 created for the workforce, nclIMPACT Initiative and NCGrowth partnered to conduct a series of focus groups with workers, employers, and workforce support providers throughout North Carolina to dig beneath the numbers and hear individual perspectives. Because young workers aged 16-24 suffered the highest rates of unemployment compared to other age groups, the research focused on these workers in particular. Otherwise, the research sought to maximize variation across the employers and employment support providers to gain a

diversity of perspectives and to illuminate cross-cutting themes and/or areas of potential divergence depending on employment sector and geographic location across the state.

Focus Group Methodology

From January to March of 2023 the research team hosted 21 60-minute focus group sessions with over 130 employers, employment support providers, and young adults. Conversations took place in communities located in each of North Carolina's eight prosperity zones. The research team worked closely with local partners to recruit participants to these discussions. While each focus group explored similar themes, questions varied slightly depending on the focus group population.

Alamance County Focus Group Summary

- Four employers representing manufacturing, healthcare/ science, housing, and landscaping
- Six workforce support providers including representation from community college, social services, workforce board, and the nonprofit sector
- No young adults

Employers

Skills in Employees

Participants felt that current employee candidates overestimate their qualifications as well as their expectations from their job.

One participant stated,

“so our biggest issue is not necessarily finding qualified workers, but... Well, they believe they're more qualified than what they actually are. And we see the information in resumes that they're not, but they want almost double (the pay).”

Participants deemed verbal and interpersonal communication skills as vital; however, employers noticed a lack of these skills among workers.

According to one participant,

“I have a lot of adults in my program that literally ... write how they text. And I'm just like, 'You can't do this in the real world.'”

Some participants preferred on-the-job training and observation rather than certification for evaluating workers' skills.

One participant stated,

“personally, I don't think handing me another sheet of paper that's like, 'Here, I've done this.' You'll show me when you work, you'll show me that you've done this and you've accomplished this and things like that. So it's just one more paper for me.”

Another participant stated,

“and the people that didn't have experience, I said, 'Send them to me.' And they were like, 'What?' And I was like, 'Yeah.' I said, 'Because what happens is I get to train you the way I want you to be. Your pre-conditioned mind of, 'oh, I used to do that. I know how to do it,' It doesn't exist because I teach you.' And they lasted longer and did better jobs than my people that had experience over 15, 20-something years.”

Difficulties in Hiring

Participants claimed that while they found difficulty hiring qualified and committed full-time younger workers pre-pandemic, the issue has accelerated since the onset of pandemic.

One employer said from their perspective,

“this didn't start in February of 2020. This started five years ago when you could not find qualified people with skills, work ethic or anything like that. So, it got accelerated during COVID.”

The Changing Work Landscape

Participants recognized that, to appeal to a younger workforce, employers needed to update job descriptions, job postings, recruitment methods, and potentially offer additional types of support to workers, such as mental health services.

One participant acknowledged,

“the philosophy is you want to put in your ad attributes that would attract people or incentivize people to contact you. So don’t describe the job. Describe the job in an overall manner, but don’t give them all the details because then they can just sit wherever they are and read the thing and make a decision, ‘Eh, that’s not from me, see you later.’ But if you give them enough information to entice them to say, ‘That’s maybe an interesting job,’ then they contact you in whatever form they desire. And our experience was there was a significant increase [in applicants].”

Another participant acknowledged,

“our retail store is on TikTok and Instagram because they post videos with dances and songs and ad-libs and things like that. And they show our plants and showcase our plants. And so we’ve definitely used TikTok and Instagram and things like that. I just had an open interview that I posted on Facebook and Instagram and LinkedIn and just kind of shared it with everybody. For our hourly employees, our salary employees or office people, I post on LinkedIn and kind of just give bullet points of the benefits.”

Workforce Support Providers

Impact of COVID-19

Participants noted the COVID-19 pandemic created new barriers to work and caused workers to reassess their position.

One support provider shared,

“I feel like more barriers have come up since Covid and no one wants to deal with it. They find it just easier to be home and look for a remote job, so...”

Employee Challenges

Participants said that workers face transportation, technology, literacy, and childcare barriers.

According to one participant,

“we’ve seen that Covid forced them to reassess their life and come to different understandings with how they pay for things and how they can navigate things. And so the new understanding is they don’t need to do what they were doing before in order to survive. So, they might be able to work on one parent’s salary in order to not have to be able to afford childcare. Because that’s the biggest expense.”

For more information about the project and complete study findings and recommendations visit the Where are the Workers project website:

<https://ncimpact.sog.unc.edu/2022/01/where-are-the-workers/>