

TSP, a Syneos Health® company

navigate the remnants of a pandemic and combat the evolving talent market

A review of 2021, with a 2022 forecast



a SYNEOS HEALTH company

navigating the remnants of a pandemic market

As we're working through the first quarter of 2022, we find ourselves seeking to discover the opportunity to inch back from the shock waves that hit the labor market two years ago and has boldly lingered, changing the expectations of organizations and talent pool alike.

While job growth hits record highs, qualified and engaged talent continues to diminish from the talent pool. Finding the right talent for open roles poses a challenge in the Healthcare and Life Sciences industry. Record quit rates are creating a candidate-driven market, allowing qualified talent to be particularly selective when looking for new opportunities.

In 2021, many sectors experienced job growth and picked away at the high unemployment rate, all while battling considerable volatility in month-to-month readings. However, we have seen a shrinking candidate market, with more than 15 million resignations since April 2021. Two million women and diverse talent left the workforce. According to iCIMS, the healthcare talent market is seeing applications dropping 12-19% with job openings up 33-44%, creating significant pressure on the labor market.

What does this disconnect between open jobs and hireable talent mean for the current labor market? Let's take a deeper dive into the past year.



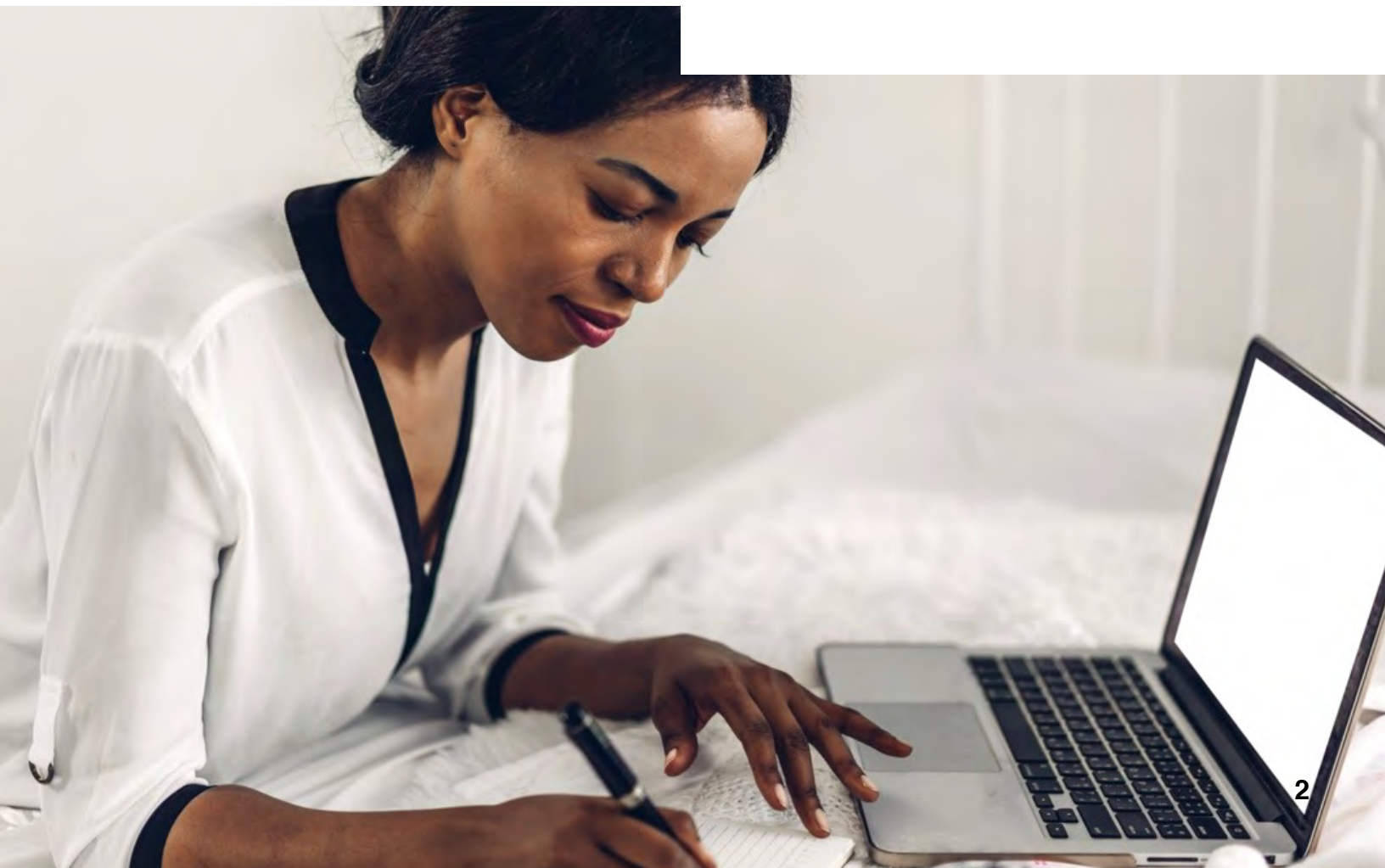
employees are leaving the work force

We are finding that workers are quitting their jobs at a remarkably higher rate with an all-time high of 3.4 percent. Just in December 2021, 4.3 million individuals quit their jobs – a slight decrease from the 4.5 million people that quit in October, according to SHRM. This tendency continues a months-long streak of monumentally high turnover.

Workers have been taking advantage of strong demand, looking for jobs with better pay and working conditions. Indeed Hiring Lab shares “open roles in these areas provides significantly stronger bargaining power for candidates and employees, which will likely feed into strong wage gains in the coming year. In 2021, the average pay jumped 4.7 percent. If we continue to see a quits rate near 3 percent, we may see more of the same in 2022.”

In addition, the pandemic has given employees the opportunity to reevaluate their careers and reconsider what is important to them when it comes to their jobs. According to Jobvite’s 2021 Job Seeker Nation Report, “35% of workers have/would decline a job offer requiring them to work full time on location, in an office, or at a worksite.” **Workers are now wanting their employers to make a positive effect on society. They are looking for companies whose goals align with their personal values.**

It is also crucial to consider our aging workforce. Statista and Recruitics state that 21.45% of the population are baby boomers. These employees are predicted to age out of the workforce within the next 10-15 years. This group falls into the high-risk category in regards to COVID-19, creating reluctance about returning to work as normal. With significant experience under their belt, they are not easy to replace.



job growth and unemployment

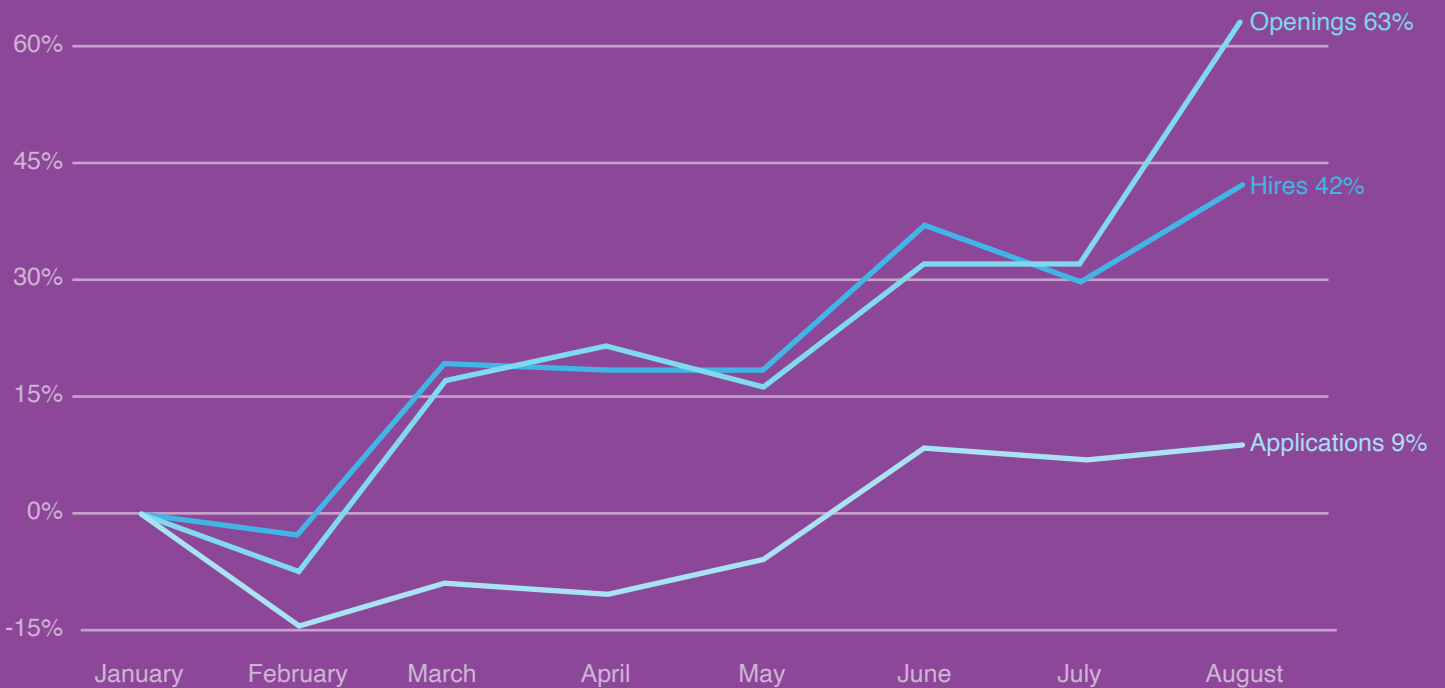
Throughout 2021, an average of 537,000 jobs were created each month, with 467,000 in January 2022. The unemployment rate fell from 6.3% in January 2021 to 3.9% by year's end. Additionally, "the number of people filing first-time claims for weekly unemployment benefits fell below 200,000 and ended the year close to that threshold," according to U.S. News. These improvements are hopefully signs of what's to come in 2022 from a job growth perspective.

In December 2021, private job growth rose to its highest level in seven months, as expressed by ADP. The private sector added 807,000 jobs, well exceeding estimates for the month.

Throughout 2021, the United States added nearly 7 million jobs, as employees have found openings for work in the recovering economy. Indeed Hiring Lab claims that workers have continued to switch jobs due to the many opportunities in the current labor market.

While the upsides to new job creation are unmistakable, the labor shortage has led to significant strains on the economy. Unfilled roles create inefficiencies, issues with production, and ultimately create a market that isn't performing at its optimal level. A survey of local chamber of commerce leaders by the U.S. Chamber shows 90% agree that labor shortages are limiting economic growth.

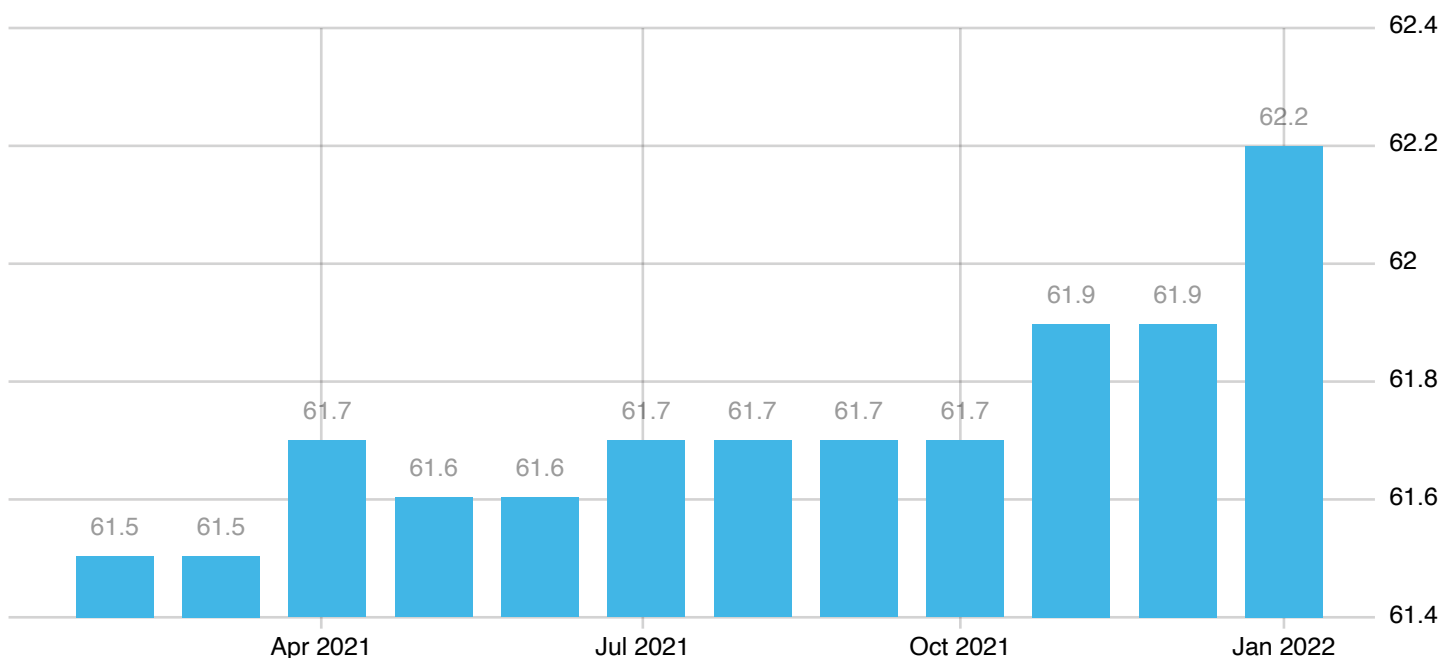
Job openings in health services increased 24% month-over-month (July-August 2021), and are up 63% since the start of the year



predictions and forecasts for the remainder of 2022

As we continue into the first quarter of 2022, things aren't looking quite as bleak as they were in 2021. The unemployment rate is showing promising progress. Currently, the U.S. unemployment rate sits at 4%, surpassing all projections of private and government economists. Generally speaking, 4% and below is considered full employment. The Federal Reserve predicts seeing an unemployment rate of 3.5% by the end of the year, matching the rate of February 2020, just ahead of the coronavirus pandemic, according to BLS.

“With labor force participation up over the year and long-term unemployment continuing to decline, America is getting back to work,” Labor Secretary Marty Walsh said in a statement.



The data shared by BLS shows that, interestingly, while the unemployment rate has continued to fall, the labor force participation rate barely moved throughout the third and early fourth quarters. We did, however, see a spike in January 2022, which may be indicative of an upward trend. We are currently experiencing a rise in wages, but not enough to offset the 7% rise in inflation. With job growth and record-high job openings added each day, job openings remain well above pre-pandemic levels.

Many of these trends are expected to linger into at least the first half of 2022, but economists are hopeful that if the virus is under control, labor supply will start to normalize later this year.

how can you find talent in this market?

Given the current state of the labor market, finding qualified talent for organizations is a challenge, but there are ways your organization can combat this dilemma. Consider the values of your organization and people, and act on them. Pharmaceutical companies are working hard to improve the quality of life for people across the globe, but workers are still waiting on widespread change in the following areas, according to PharmiWeb.Jobs:

- Sustainability/Environmental Impact
- DE&I Prioritization
- Mental Health Support in the Workplace
- Gender and Income Inequality in the workplace.

To retain talent from Millennials and Gen Z, employers must show employees and possible candidates their level of empathy for workers and society as a whole.

In addition, employees are looking for training, development, and career growth from their employers. Data from a 2021 HowNow survey shows that 52% of UK-based professionals have not received training since the onset of the pandemic and less than 25% of workers had been promoted. Employee retention requires adequate development and growth opportunities.

The Life Science job market is more candidate-driven than ever before. Companies must do more to compete for talent. Whether it is compensation, flexibility/work-life balance, benefits package, or your social responsibility initiatives, find what makes your organization stand out and emphasize on it internally and externally.

Are you looking to grow your Life Science teams in 2022? TSP advances the Healthcare and Life Science industries through our innovative talent solutions for growing organizations throughout North America and Europe. Our clients trust to find the right teammates – and build the right teams – to help them achieve their talent acquisition goals.



help your org combat the everchanging talent market

Due to the current state of the labor market, it is crucial that organizations speak to candidates in a way that resonates with them.

Workers younger than 35 place more value on respect than office perks. Research suggests that companies should invest more in training managers to communicate respectfully and nurture employee wellbeing, rather than kitting out offices with trendy new accessories.

Additionally, workplace transparency is crucial. Implemented properly, increased transparency creates trust between employers and employees, helps improve morale, and lowers job-related stress while increasing employee happiness and boosting performance. When this happens, talent within organizations will organically attract new and passive talent through their brand ambassadorship on social channels.

According to Glassdoor, the top three areas to focus on for candidate attraction are:

- Flexibility to achieve better work-life balance
- Alignment on values so employees can feel more engaged
- Focus on well-being so employees can thrive on and off the clock



what your organization can do

1. Re-evaluate your perks.

Vending machines & gym memberships may not entice anymore. What does your culture enable or allow that can support flexibility and total well-being?

2. Update your messaging to reflect the parts of your employment value proposition that speak to what the current talent market values.

If your Employer Value Proposition was created pre-pandemic, it may be time to reevaluate for accuracy and relevance through internal focus groups that gauge for employment brand themes, values, and more.

3. Launch social media campaigns that nurture the needs of the market – but only if it's true. Refer to #4.

Speak directly to the needs of candidates. Run campaigns that alleviate their concerns about a career change, i.e., “We know that you’ll perform better at your job if childcare isn’t a worry, so we’ll make sure it isn’t.”

4. Transparency internally and externally will take you far.

Direct messaging, open dialogue, & market concerns will establish trust. “We know things are changing, and we want to hear your perspective,” will take you far.



5. Train your Hiring Managers!

Hiring Managers can make or break the candidate experience. Empowering them with the right toolkit, increases the candidate experience and acceptance of offers.

6. Adjust your hiring process to adhere to overall desires of the market

A ridged or even traditional interview process may not exemplify a company that is flexible or focused on well-being. In other words, “Put your money where your mouth is.”

7. Consider the “why” behind in-office positions and evaluate if the role can operate successfully in a remote office.

Has it always been that way? Can't it be done another? Remote positions have shown to be productive, encourage work/life balance and demonstrate your EVP.

how to differentiate your brand

- Know your story and know how to tell it, companywide!
- Focus on candidate experience through onboarding experience: What more can we do to engage candidates throughout the process?
- Simplify the interview process: How can we help Hiring Managers & Candidates discover more, sooner?
- Create custom videos and content in a “cutting to the chase” voice with company stakeholders, to demonstrate transparency from the top down.



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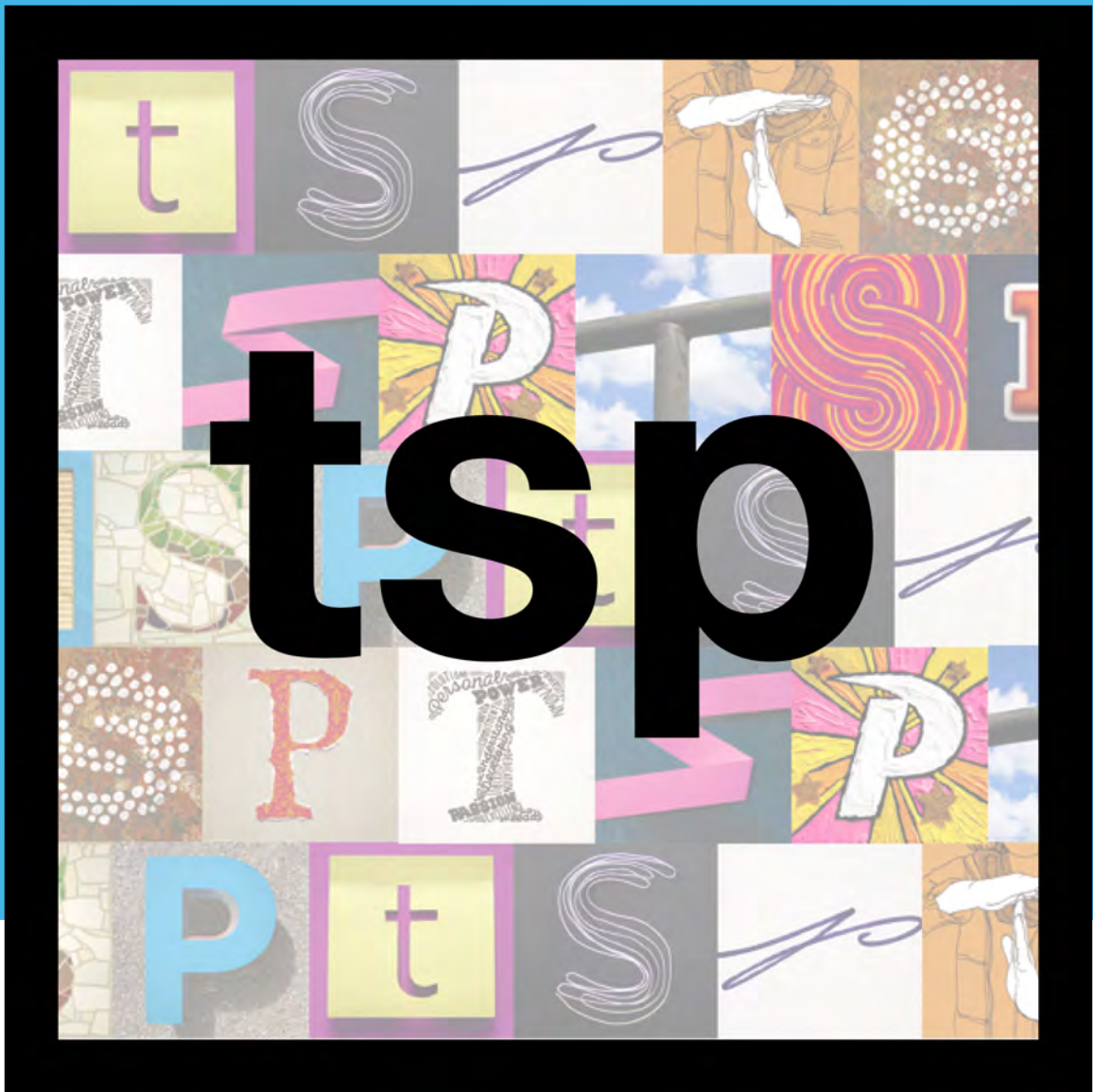
Interested in taking your employer brand to the next level, while improving your candidate experience and on-boarding process?

tspSTORYTELLER is the true provision of strategy, messaging, and the delivery of creatives to our clients to bring life to their Employer Value Proposition in the candidate market. This is a differentiator for your recruitment process, that positions your brand as one that cares about candidates in a deeper way.



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