



Staff Labor Market Trends

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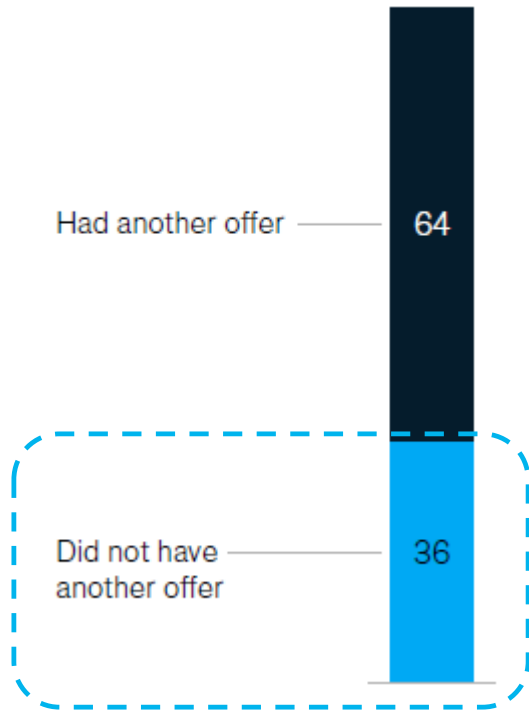
U.S. Employment – All Sectors

The Great Resignation / The Big Quit

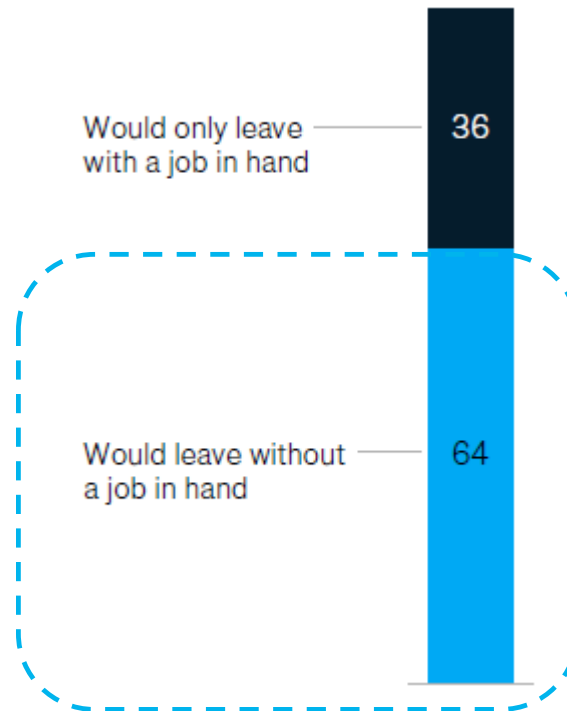
- U.S. workers left jobs nearly 20 million times between April and August 2021
 - More than 60% higher than the same period in 2020
 - 12% more than the same period in 2019 – when the job market was the hottest it had been in almost 50 years
- While resignations are typically led by less tenured employees, the rate of tenured employee resignations is higher than prior year
- While employees between 40 and 50 years old are typically less likely to quit than younger employees, their resignation rate is up more than 38%

People Are Willing to Resign Without Having a New Job Lined Up

% of Employees Who Resigned Within the Last 6 Months



% of Employees Who Are At Least “Somewhat Likely” to Resign in Next 3–6 Months



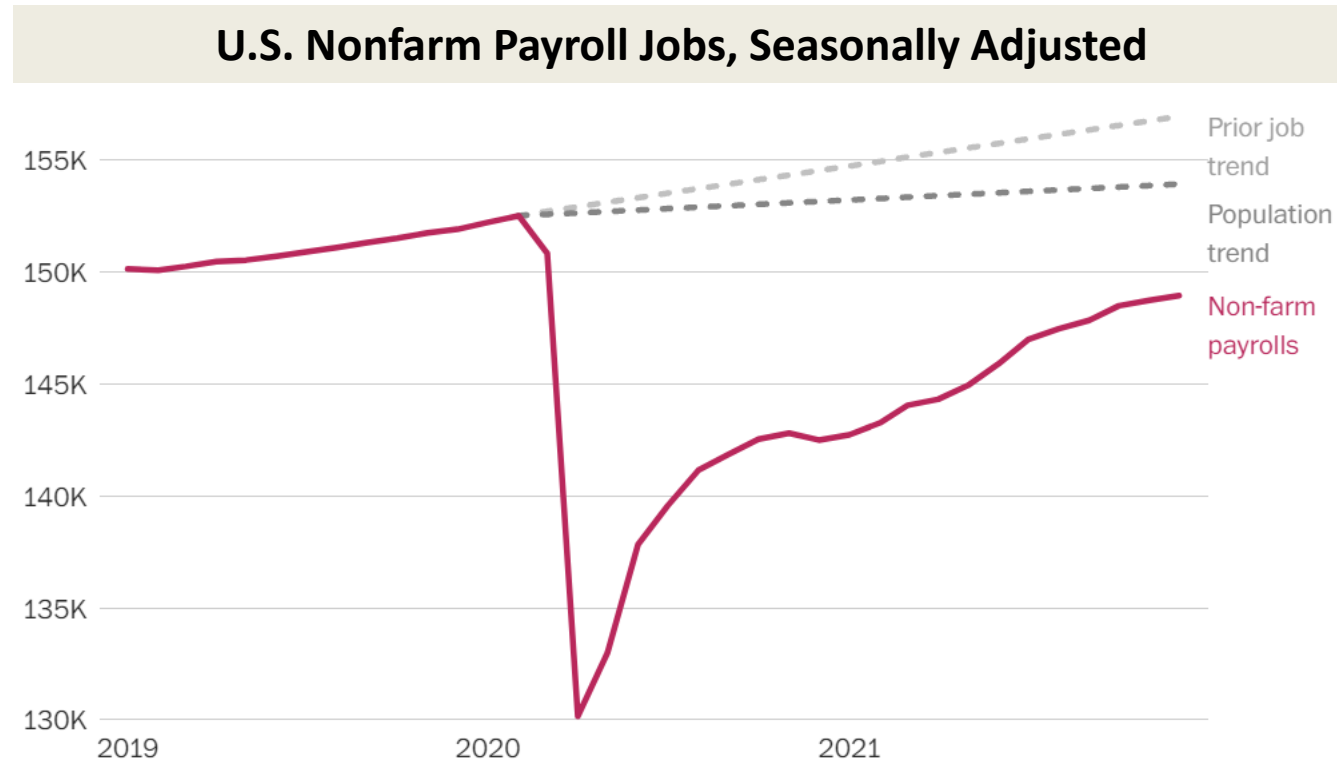
Employees in the U.S. were the most likely to say they had left their jobs without a new job lined up (40%).

At the industry level, **42% of healthcare and social-assistance workers** who quit did so **without having a new job**—a reminder of the pandemic’s toll on frontline workers.

25% of white-collar employees quit without having a job lined up, a finding that held across income levels.

Jobs Growth Good, But Incomplete...

“The economy lost 22.4 million jobs at the height of the coronavirus lockdowns. When you account for the 12.3 million jobs regained in 2020 as businesses reopened, plus the 6.4 million added in 2021, the economy is still missing 3.6 million jobs. And that would just bring it back to pre-recession levels. To catch up with population growth, the economy needs 5 million more jobs...”



...and Inequitable

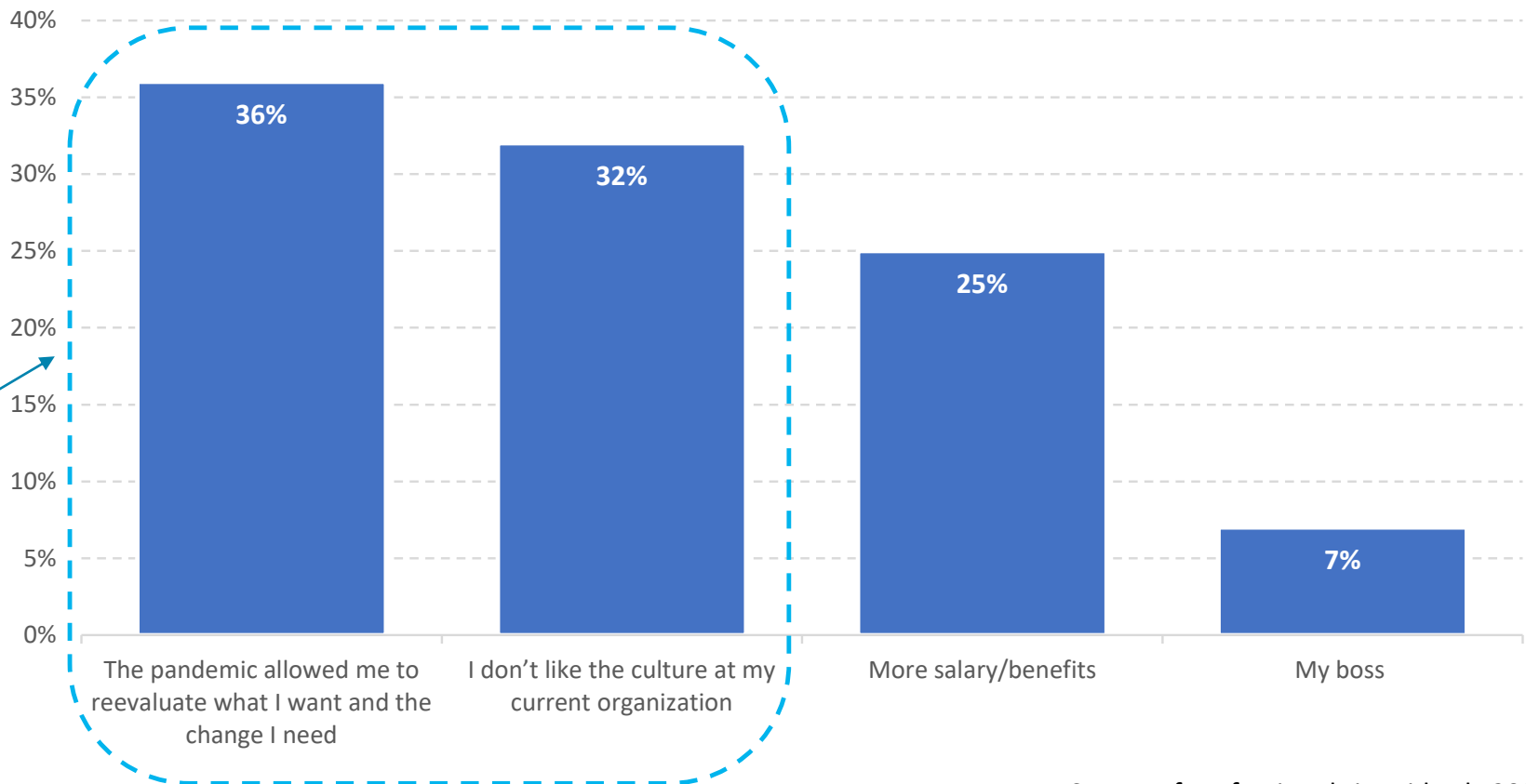
The share of Americans working or looking for work plunged during the pandemic and remains near levels not seen since the 1970s, when many women were still working at home and had yet to join the official labor force.”

- Unequal job recovery – particularly for people of color and women
 - Asian workers have regained all the jobs lost
 - Hispanic workers are close to regaining lost jobs
 - White and Black workers are farther behind
 - Women are also behind – Black women have 4.5% fewer workers; White women have 2.3% fewer
- Low-skilled workers bearing the brunt of job losses

The Main Reasons for Resigning Are Not \$\$\$

“Many people are taking the time to really do a self-analysis on what they’re good at and what motivates them. Time between jobs may be necessary to ensure they are pursuing the right path.”

If you plan to take a different job in the near future, what’s the top reason?



Re-evaluating one’s own desires and dislike of the company culture *far* outweigh salary as a motivation.



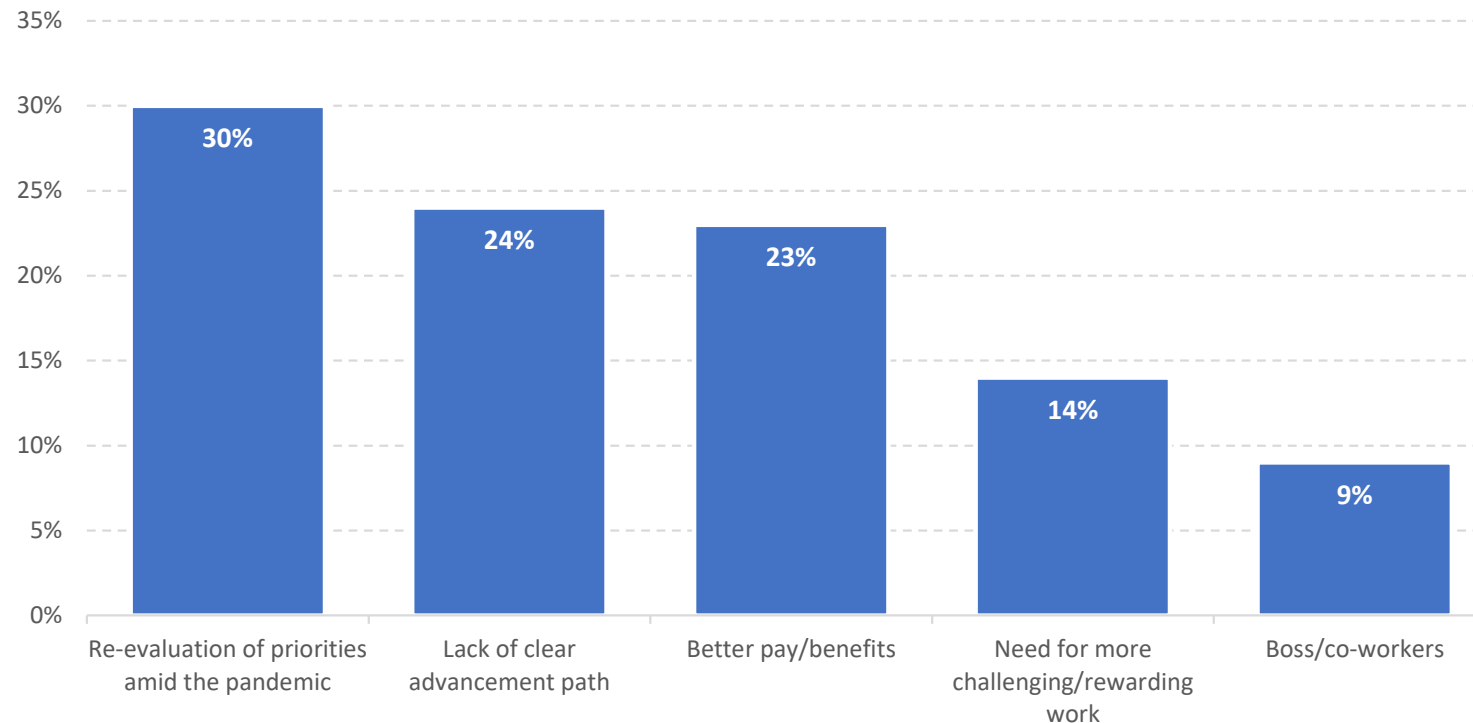
Note: Survey of professionals in mid-July 2021 (n = 684).

Source: “I’m Outta Here’ – Korn Ferry Survey Reveals Reasons Behind Great Resignation,” Korn Ferry, 2021 Aug 12.

Employers Attribute the Trend to Other Drivers

“Leaders must work to understand the priorities of employees and develop talent strategies that will keep employees engaged and on-the-job.”

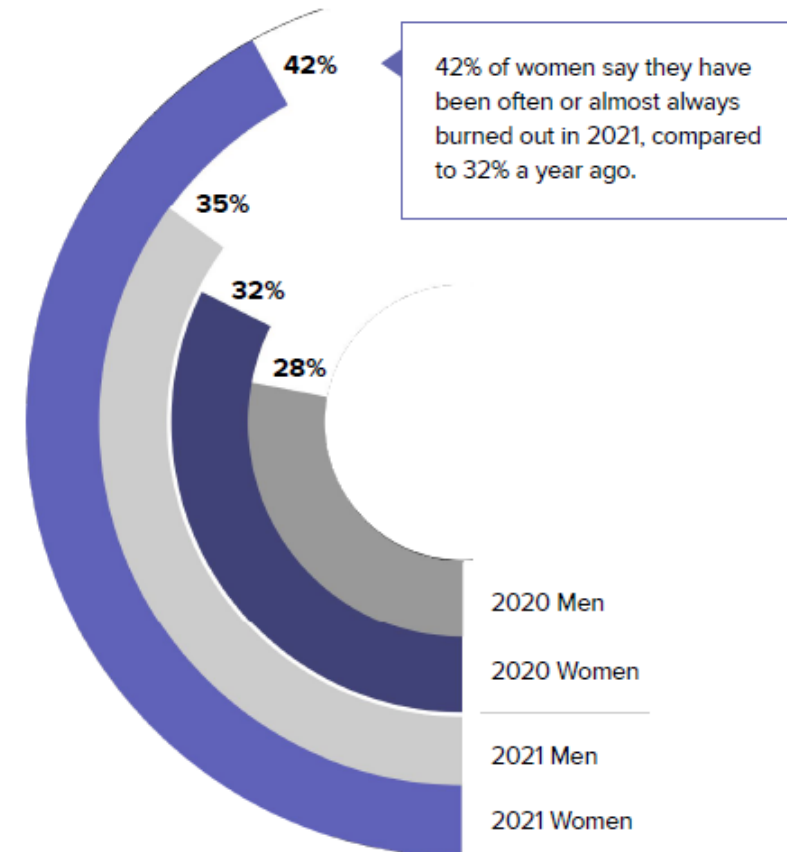
What do you believe is the top reason employees are leaving your organization?



Burnout Increased for All Genders – But Much More for Women than Men

- Women are even more burned out than they were a year ago (42% vs. 32%)
- The *gap* in burnout between women and men has *almost doubled*
- In the past year, 1 in 3 women has considered leaving the workforce or downshifting their careers—a significant increase from 1 in 4 in the first few months of the pandemic

% of Employers Who Say They Are “Often” or “Always” Burned Out at Work



More Parents Are Resigning Than Non-Parents

- The **top 4 reasons** are **important for all workers**, regardless of parent status

- Value to organization
- Belonging
- Value to manager
- Work-life balance

The top 4 reasons are important for all workers

The other reasons are very different for parents and non-parents

- However, other reasons are **very different for parents and non-parents**

- Workload and the ability to work remotely
 - Among the top ten reasons that parents left their job
 - Toward the bottom of the list for nonparents
- Parents with young children more likely to prefer primarily remote-working models and flexible work locations
 - Only 8% would like to be fully on-site

Ranking of Reasons Employees Quit Their Job in the Last 6 Months (20 Options)

	Nonparents	Parents
Value to organization	1	1
Sense of belonging	3	2
Value to manager	2	3
Work-life balance	4	4
Care for family	18	5
Potential for advancement	7	6
Inadequate compensation	8	7
Unmanageable workload	15	8
Ability to work remotely	20	9
Relationship with teammates	10	10
Poor health	5	11
Flexible work schedule	11	12
Engagement with work	6	13
Looking for a better job	9	14
Ability to work autonomously	17	15
Workplace environment	16	16
Poached by another company	19	17
Development opportunities	12	18
Negative interactions	14	19
Finding meaning at work	13	20

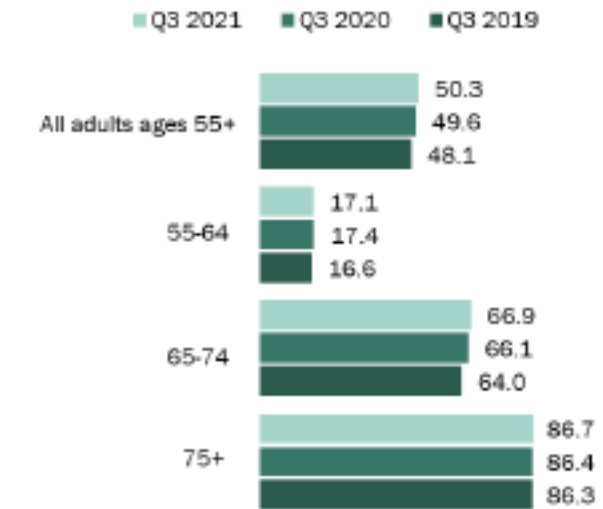
¹Factors that employees who quit their jobs value but that were not met by their last employer (parents, n = 460; nonparents, n = 385).

Accelerated Retirement by Adults 55+

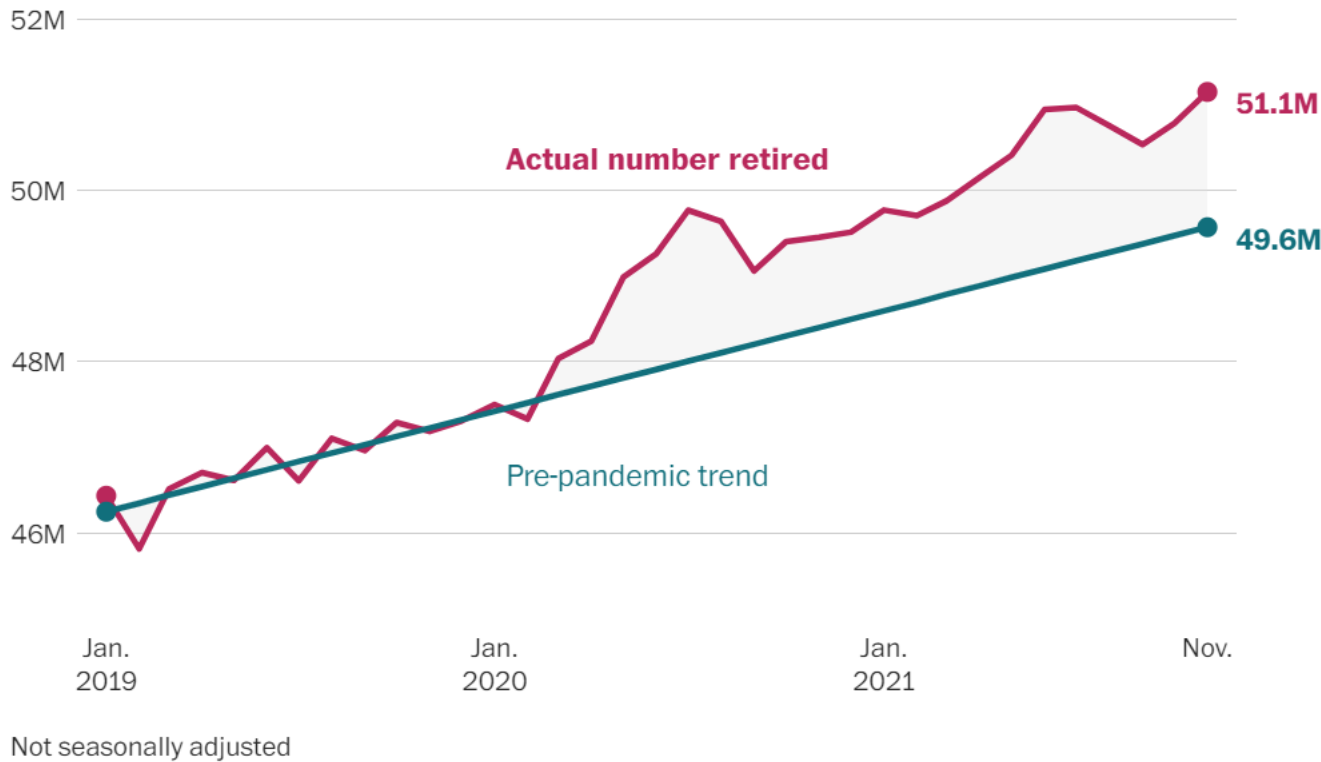
“Between 2008 and 2019, the retired population ages 55 and older grew by about 1 million retirees per year. In the past two years, the ranks of retirees 55 and older have grown by 3.5 million.”

Half of older U.S. adults are now retired

% of older adults who are retired



Note: “Retired” refers to those not in the labor force due to retirement.

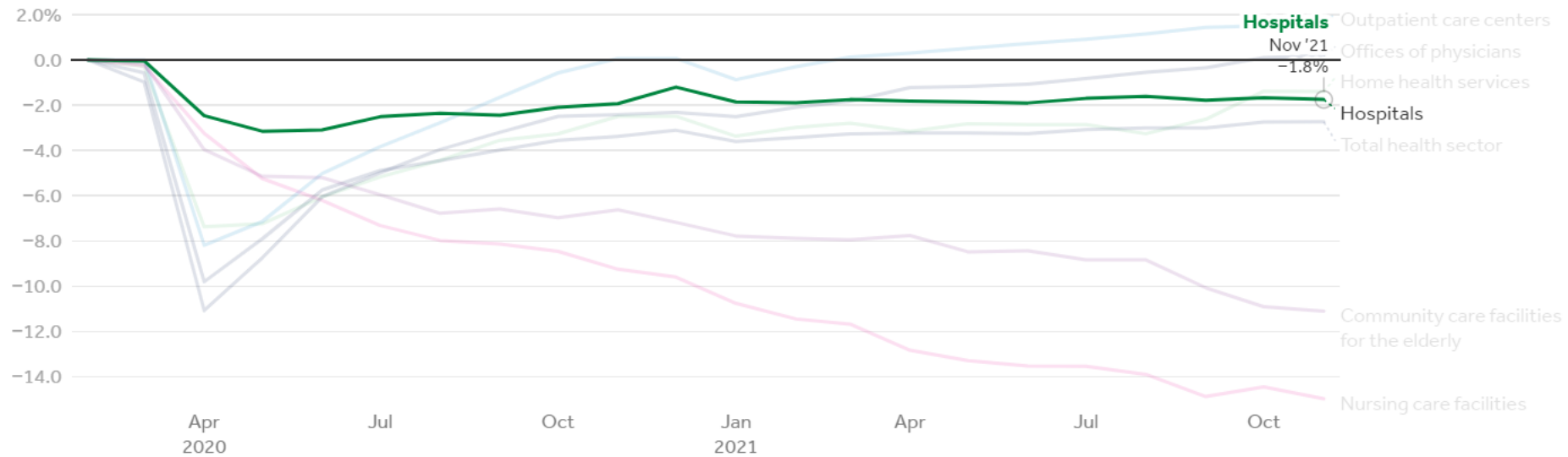


Healthcare Sector

Hospitals Are Near Pre-Pandemic Employment Levels

“...most [health service industries] had seen an upturn in jobs by the summer of 2020...By November of 2021...hospitals...were within 2% of their respective pre-pandemic employment numbers... The number of workers employed at nursing care and elder care facilities has continued to decline.”

Cumulative Change in Health Sector by Setting, Seasonally Adjusted
February 2020 to November 2021

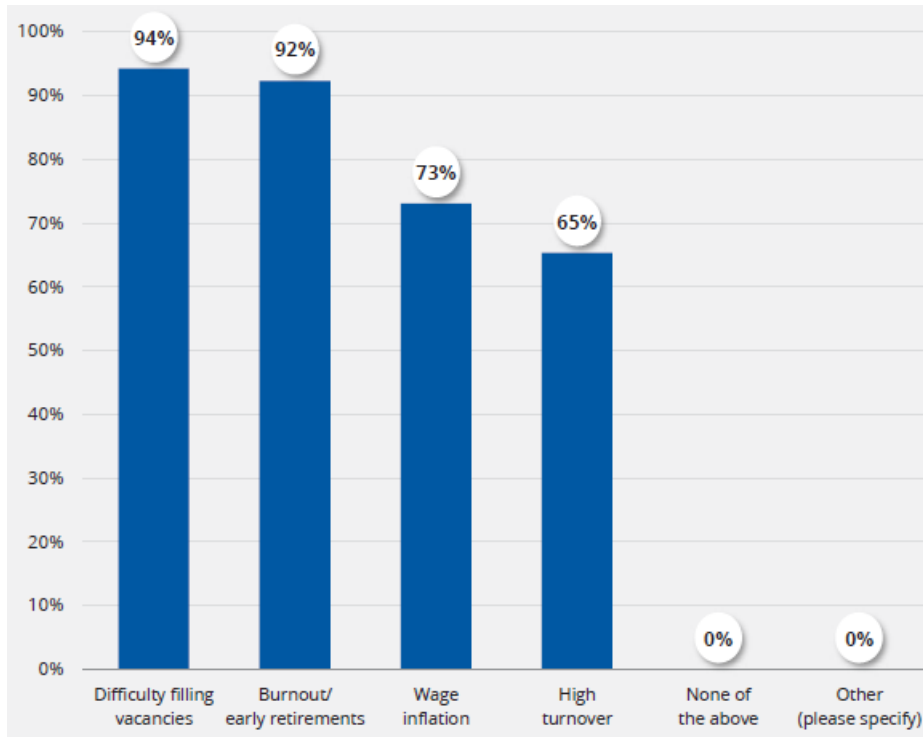


Note: Data for October and November 2021 are preliminary.

Shortage of Clinical Staff at Hospitals

“100% of survey respondents face issues with clinical staff, including burnout, difficulty filling vacancies, wage inflation, and high turnover rates.”

% of Organizations Experiencing Clinical Staffing Challenges



Note: Respondents were asked to choose all that apply.

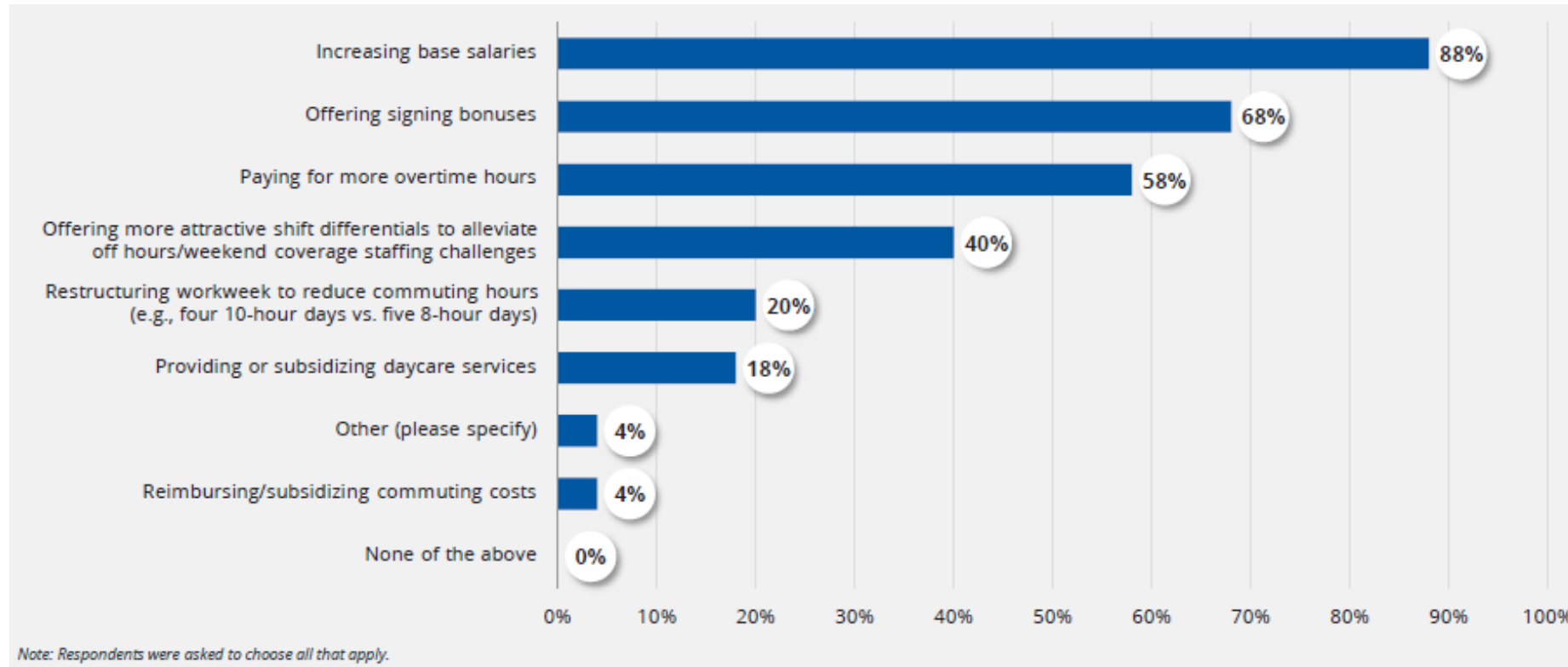
Efforts to address these challenges include:

- higher wages
- signing and retention bonuses
- increased shift differentials
- greater reliance on traveling or agency staff
- new recruiting efforts
- expanded nurse residency programs
- staff wellness and mental health support

Shortage of Support Staff, Too

“Hospitals are also having difficulty finding other types of healthcare workers, such as respiratory therapists and imaging technicians, as well as non-clinical workers in areas such as dietary, housekeeping and environmental services.”

% of Organizations Pursuing Options to Attract and Retain Support Staff



Note: KaufmanHall survey of 73 U.S. hospital and health system executives.

Source: 2021 State of Healthcare Performance Improvement: COVID Creates a Challenging Environment, KaufmanHall, 2021 Oct. “Healthcare Quarterly,” Moody’s, 2021 Oct.

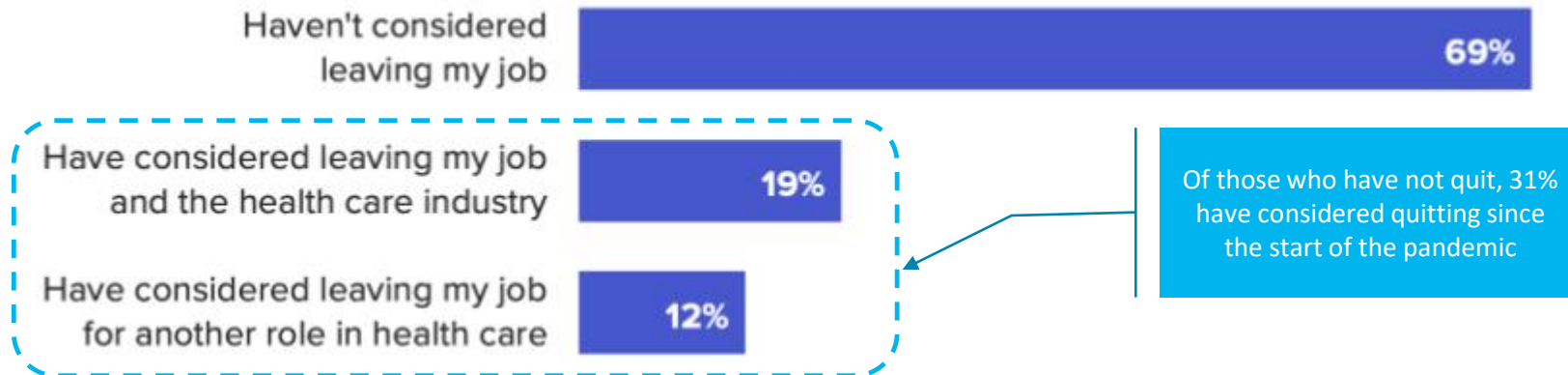
Healthcare Workers Are Quitting in High Numbers

Health care workers were asked whether they've left their jobs since mid-February 2020



Nearly 1 in 5 healthcare workers has quit their job since the start of the pandemic

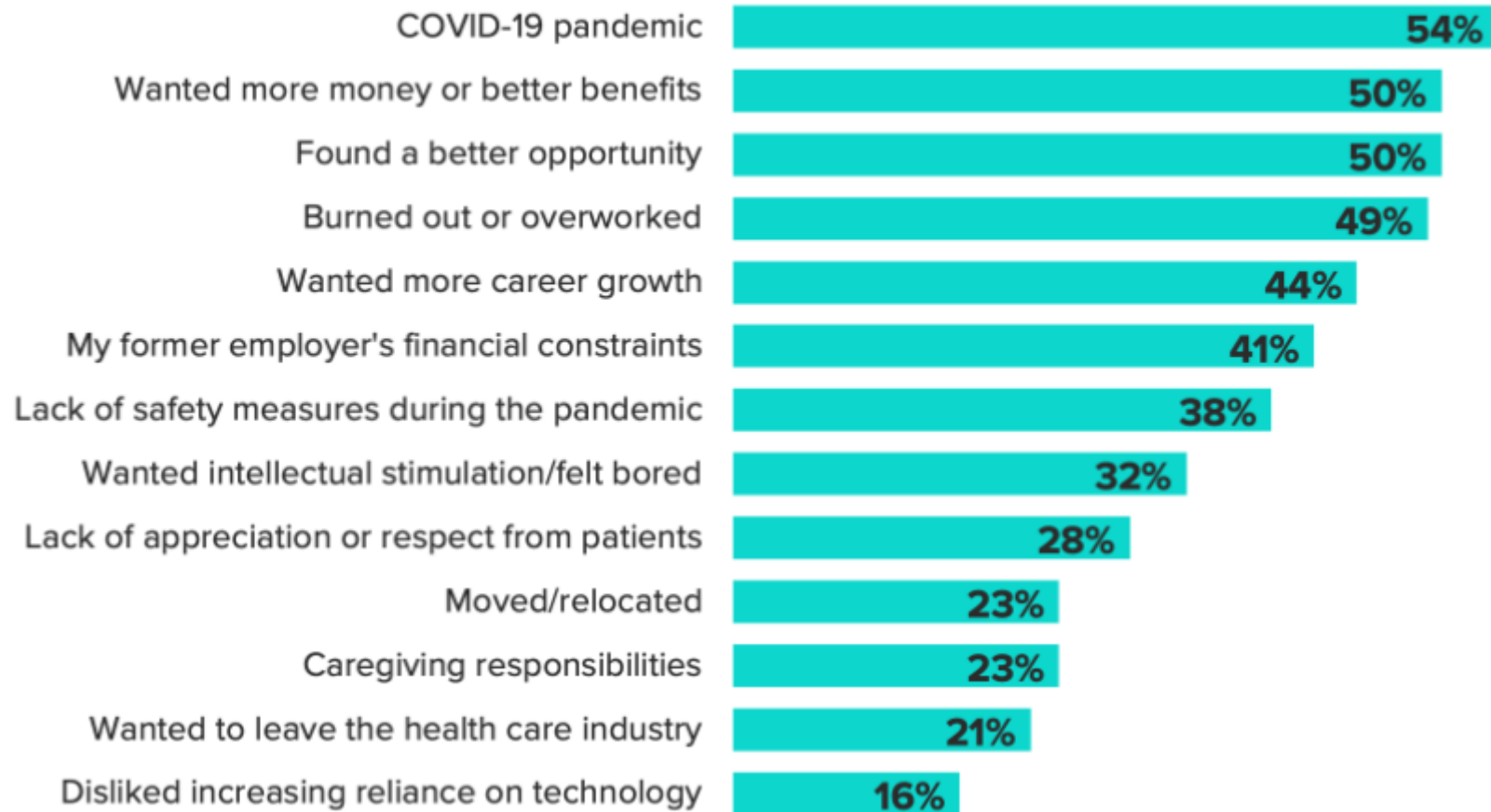
Among health care workers who have stayed in their jobs since mid-February 2020



Of those who have not quit, 31% have considered quitting since the start of the pandemic

Reasons for Leaving Their Jobs

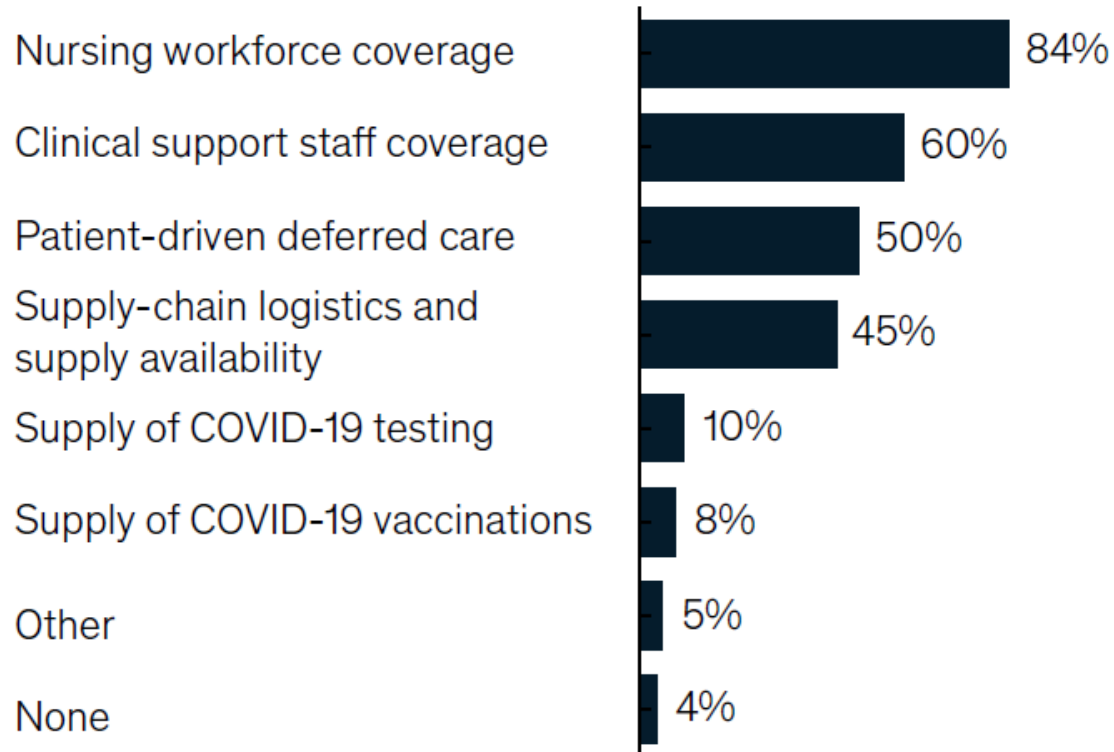
Health care workers said the following reasons are why they quit or were laid off since mid-February 2020:



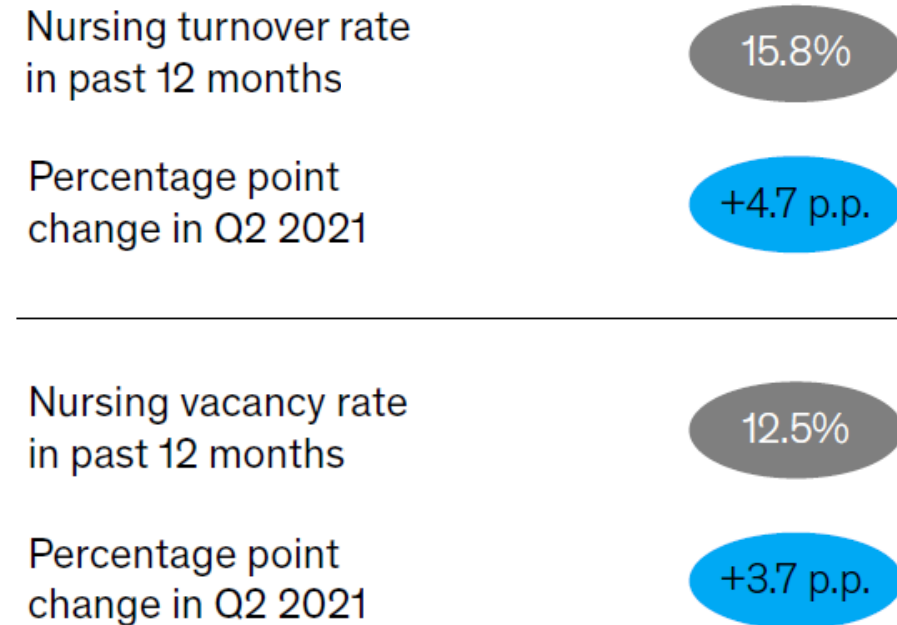
Nursing

Nursing Staffing Tops List of Continuing COVID Challenges

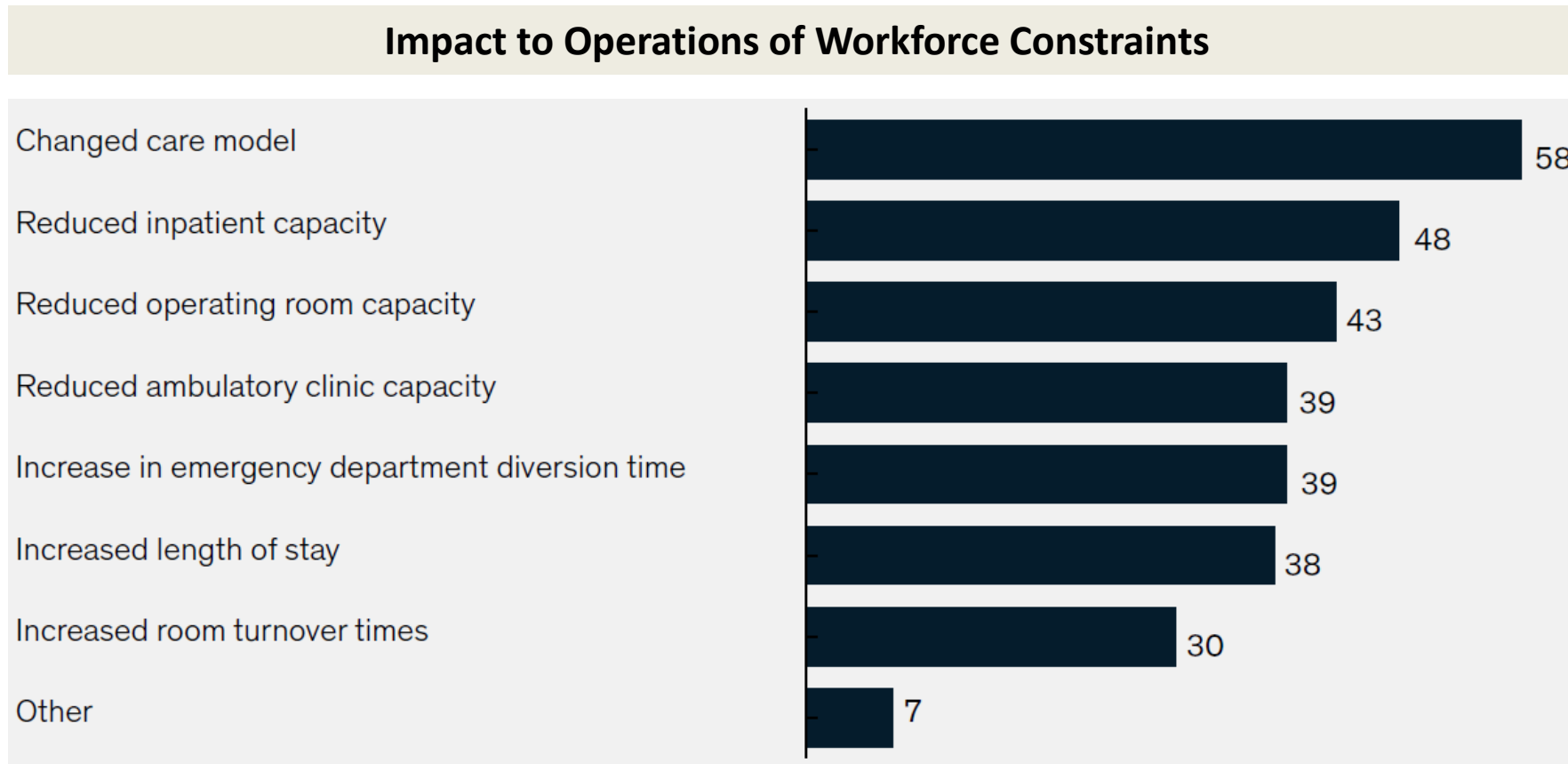
COVID-19 Challenges Respondents Still Face



Nursing Turnover & Vacancies

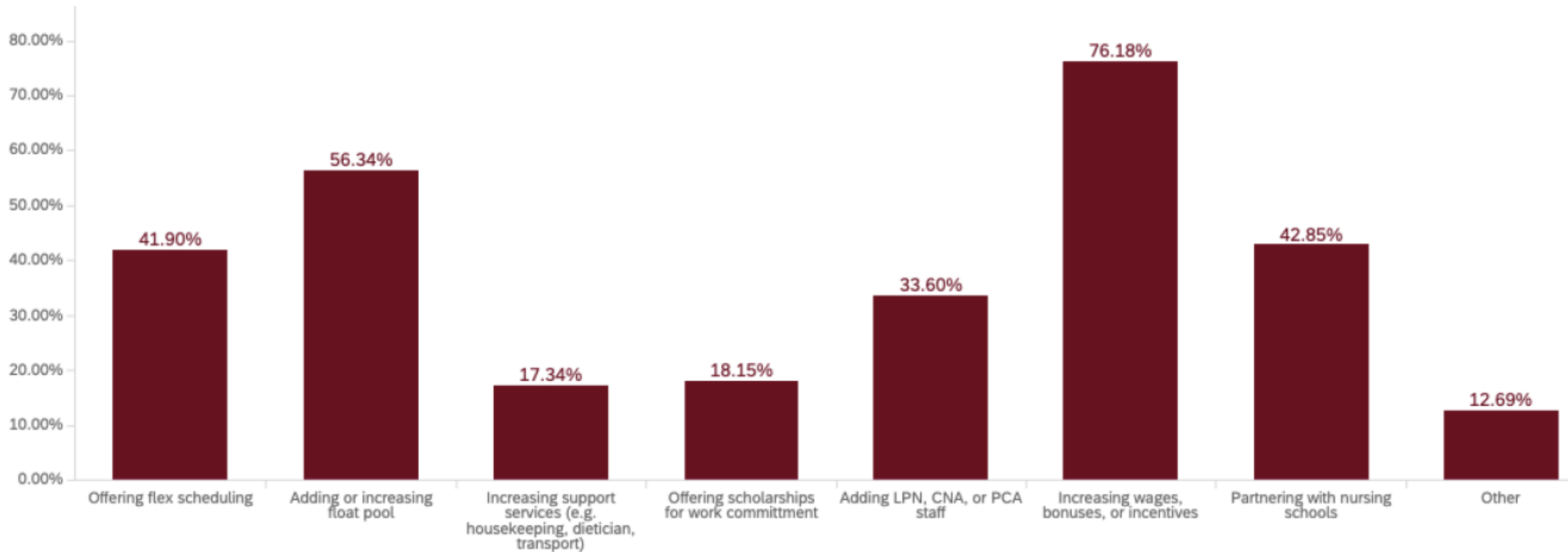


Operational Implications of Staffing Challenges



Organizational Response to Staffing Shortage

Nurse Leaders Indicate Optional Their Organization Has Considered or Implemented
August 2021

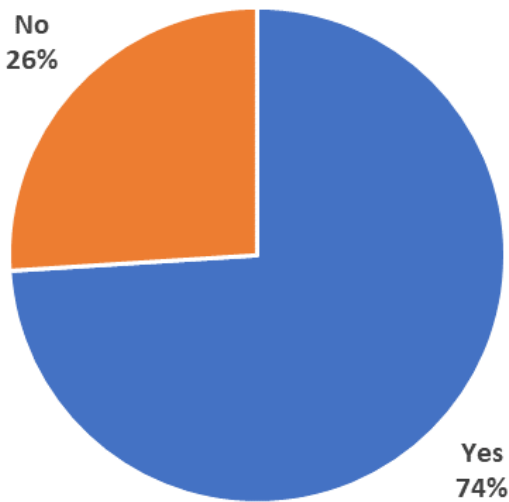


Inflation and Real Wages

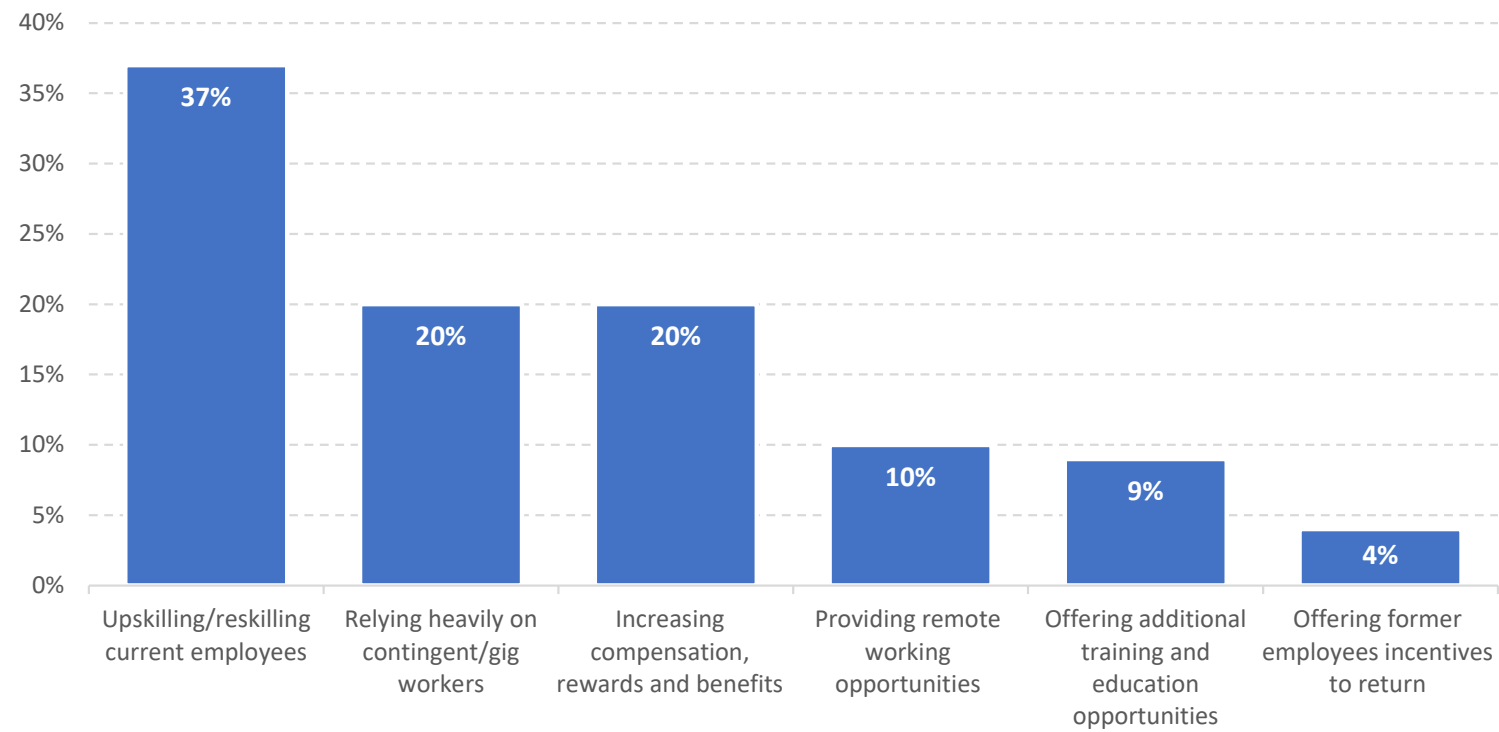
Skill Shortage Is a Concern for the Future

“This labor shortage is much more than just a people issue – it’s a business conundrum that can have long-lasting effects if not addressed.”

Is your company experiencing a shortage of skills and capabilities needed for the future?



What is the top way your company is addressing the labor and skill shortage?



Note: Survey of professionals in mid-September 2021 (n = 1,128).

Source: “No End in Sight: Majority of Professionals Believe Employee Turnover will Increase in 2022, According to Korn Ferry Survey,” Korn Ferry, 2021 Sep 22.

Employment Projections by 2030

“Health care and social assistance’ jobs are expected to add more jobs than any other sector – an increase 16.8% (+3.3 million) – over the next decade. This growth rate is more than twice the growth rate all of jobs, and second only to ‘Leisure and hospitality’ (24.3%; +3.2 million). Factors include rising demand for the care of an aging baby-boom population, longer life expectancies, and continued growth in the number of patients with chronic conditions.

Employment by Major Industry Sector (Employment in thousands of jobs)

Sector	Employment, 2010	Employment, 2020	Employment, 2030	% Change, 2010 to 2020	% Change, 2020 to 2030
TOTAL (all sectors)	141,926.7	153,533.8	165,413.7	8.2%	7.7%
Goods-producing (non-ag)	17,702.2	20,021.6	20,578.5	13.1%	2.8%
Services-producing	113,261.8	122,773.6	134,114.6	8.4%	9.2%
Health care and social assistance	16,820.0	19,776.2	23,092.6	17.6%	16.8%
Agriculture, forestry, fishing, hunting	2,102.9	2,241.3	2,296.3	6.6%	2.5%
Self-employed (non-ag)	8,859.8	8,497.3	8,424.3	-4.1%	-0.9%

Note: The COVID-19 pandemic triggered an economic recession from February to April 2020, which led to substantial and immediate declines in output and employment. Because 2020 serves as the base year for the 2020–30 projections, these recession impacts translate to lower base-year values than seen in recent projections and, therefore, higher projected employment growth.

Source: Employment by major industry sector (Industry.xlsx, Table 2.1), U.S. Bureau of Labor Statistics, 2021 Sep 8.

Healthcare Jobs Among the Fastest Growth

“Healthcare occupations (including mental health) account for 7 of the 30 fastest growing occupations from 2020 to 2030. Several of the fastest growing positions – including nurse practitioners, physical therapist assistants, and physician assistants – are projected to see strong demand as team-based healthcare models are increasingly used to deliver healthcare services.”

The Ten Fastest Growing Occupations, Projected 2020 to 2030

	Percent employment change, projected 2020–30	Employment change, projected 2020–30 (in thousands)	Median annual wage, May 2020
Wind turbine service technicians	68.2%	4.7	\$56,230
Nurse practitioners	52.2%	114.9	\$111,680
Solar photovoltaic installers	52.1%	6.1	\$46,470
Statisticians	35.4%	14.9	\$92,270
Physical therapist assistants	35.4%	33.2	\$59,770
Information security analysts	33.3%	47.1	\$103,590
Home health and personal care aides	32.6%	1,129.9	\$27,080
Medical and health services managers	32.5%	139.6	\$104,280
Data scientists and mathematical science occupations, all other	31.4%	19.8	\$98,230
Physician assistants	31.0%	40.1	\$115,390

Note: Data excludes occupations that had a decline in wage and salary employment from 2019 to 2020 greater than the decline for all occupations (approximately 6%). These excluded occupations may have fast growth rates that do not reflect structural growth, but only cyclical recovery.

Source: “Employment Projections – 2020 - 2030,” U.S. Bureau of Labor Statistics, 2021 Sep 8.

What Employees Want

“The Great Attrition is happening, it’s widespread and likely to persist—if not accelerate—and many companies don’t understand what’s really going on, despite their best efforts. These companies are making ineffective moves based on faulty assumptions.”

- Employees want the *human* aspects of work...more than they want greater pay, benefits, and perks
- These aspects are:
 - Renewed and revised sense of purpose in their work
 - Social and interpersonal connections with their colleagues and managers
 - Feel a sense of shared identity
 - To feel valued by their organizations and managers
 - Meaningful—though not necessarily in-person—*interactions*, not just transactions