UNDERSTANDING THE PANDEMIC WORKFORCE DEVELOPMENT NEEDS OF SMALL & MID-SIZED NEW JERSEY EMPLOYERS

NORTH JERSEY PARTNERS

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Purpose

Examine the workforce development practices among small and mid-sized employers in New Jersey

▶ Identify the resources employers need to find, retain, and train their workforce

▶ Understand employers perception of work based training opportunities such as apprenticeship programs

▶ Understand the impacts of the COVID-19 health and economic crisis on employers.

Target Respondents

Small Employer: employing between 5 and 99 full-time workers

**Mid-sized employer:** employing 100-499 full-time workers

Majority of respondents were in the manufacturing sector, finance, insurance and healthcare

Employer size definitions are based on the U.S. Small Business Administration

and supported by the recommendations of workforce development professionals

consulted by Rutgers-VTC prior to the development of the survey

Research Methodology

Part 1:
- **Literature/Survey Review**
- **Online Survey**
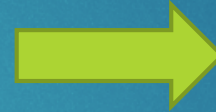
→ Before COVID-19

Part 2: 7 focus groups
- **Spring 2020**
- **Fall 2020**

→ During COVID-19

Part 1: Pre-COVID-19

Literature Review

- Reviewed and summarized previous survey findings
- Collected lessons learned
- Common themes, experiences, needs from small/medium-sized businesses

Online Survey

- Conducted online
- Distributed to EANJ members
- Captured information on how employers hire, retain, and train employees
- Familiarity with apprenticeships, workforce development resources

Part 2: 7 Focus Groups

Conducted during the COVID-19 pandemic; Focused on changing needs, struggles, and (in some cases) opportunities due to the pandemic

- Round 1 Focus Groups – 5 in total, Spring 2020
  - Challenges they are currently facing due to COVID-19
  - Resources and support they might need
  - Perspectives about how this crisis will impact and reshape the labor market in the future

- Round Two Focus Groups, 2 in total, Fall 2020 –previous participants
  - How the labor/workforce landscape continued to change/evolve

Key Workforce Development Findings - Survey

- Employers participated in internship programs but did not envision apprenticeships as applicable to their needs

- Employers provide in-house employee training but barriers included scheduling time off, lack of funding, and lack of employee interest

- Employers were unaware of funding to support training and opportunity to collaborate with education institutions

- Employers retained employees by fostering a positive or supportive business culture which included training

Key Findings: Focus Groups

► **Staffing**- many employers furloughed, laid-off, reduced hours or salaries of their employees although some experienced business growth and the need to hire

► **Revenue**- many employers experienced revenue declines, challenges bringing in new business but worked through backlogs

► **Resources-** more employers received funding from the Paycheck Protection Program (PPP) than the Economic Injury Disaster Loan (EIDL) program

► **Technology/Telecommuting**-

► **Challenges**: limited to certain types of jobs, limited access to equipment, Wi-Fi

► **Benefits:** flexibility and increased productivity

Key Findings: Focus Groups

- **Safety-** costs of and difficulty procuring PPE, confusion about health and safety protocols/practice fear of workplace exposure, and added concerns for public transit dependent employees

- **Mental Health-** pandemic stresses on mental health included isolation, workplace disruptions, lack of socialization, workload burnout and the stress of delayed unemployment benefits for those formally employed

- **Workforce Training Needs-** familiarity of employees with technology and software, skills for remote collaboration and management, cross-training and on the job training

- **Culture**- employer success was heavily dependent on adapting workplace norms and cultural shifts

Overall Findings and Conclusions

Building in resiliency

Readiness will be a key factor in responding to these types of shocks in the future

- ► Employers with procedures, norms and technology in place for telecommuting were better prepared
- ► Employers should learn from this experience and put necessary processes in place, with support from NJDOL and others

Mental health and morale

Employee mental health is a serious problem that needs to be addressed urgently

► An overwhelming majority expressed concern over employee mental health, along with feelings of helplessness and confusion on how to address these profound issues

► Need for help to address these concerns - coaching, training, and programs addressing employee coping skills, morale, and other mental health concerns

Support for caregivers and parents

Flexible work arrangements benefit caregivers and parents. However, they still struggled.

▶ What other tools and strategies can be deployed by managers and employers to retain and support these workers during future disruption?

▶ What skills might have helped these employees return to the workplace and perform to their fullest potential?

Additional research is needed in this area - surveys or focus groups of working parents and caregivers

Outcome-based work

Work hours <u>for some employees</u> can be more flexible and task-oriented rather than time-oriented

- ► Workday has no clear start/finish - defined by deliverables
- ► The change allowed for **increased flexibility for many**, especially those who need it, such as parents or caretakers
- ► However, not all types of jobs or industries can accommodate this flexibility; **most applicable to middle- and upper-wage employees**

Return to work challenges

Essential services experienced difficulty in hiring and expanding staff to meet demand

► Employers cited a few thoughts on why

   ► the extra $600 per week of unemployment as a cause

   ► Health and safety concerns of employees

   ► Childcare responsibilities

Delivery of training and services

Employers need assistance and support with workforce training

► Need **more localized, workforce board funded, incumbent worker training** tailored to meet the immediate needs of small/medium sized employers

► Employers prefer **a single point of contact** to address these issues with clear, consistent, reliable information communicated

Develop a single resource portal on training, hiring, and adapting to succeed in the COVID-19 environment and beyond