

# Low workforce participation rates highlighted at seminar



Patrick Dolan (left) of Express Employment Professionals talks about what he calls the vanishing workforce to a crowd of business professionals Oct. 27 in DeKalb.

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DeKALB – Area businesses gathered Thursday for a seminar to discuss what they called low workforce participation rates and how to attract and retain employees.

“The Vanishing Workforce” seminar was hosted by the DeKalb County Economic Development Corporation for DeKalb County business at Faranda’s Banquet Center in DeKalb.

Patrick Dolan, a corporate developer for the largest franchised staffing company in the world – Express Employment Professionals – spoke to a banquet hall filled with DeKalb County business representatives about how to attract and retain talent and staff.

“It’s fitting that we’re coming up on Halloween because some of this stuff is scary,” Dolan said.

Dolan said the nation’s workforce participation rate – which was 62.5 % in September, according to the U.S. Department of Labor – is 5% lower than what it was in 2000.

The pandemic, Dolan said, exacerbated a trend of lower workforce

participation that has been growing since 2000, when the workforce participation rate peaked.

Dolan said there was an expectation the workforce participation rate would grow after the majority of the population was vaccinated against COVID-19, but that prediction never materialized.

“And then we thought, ‘OK, wages are going up across the board to try and bring people in, they’re going to come back,’ but they didn’t,” Dolan said.

Prime age working men, 25-to 54-year-olds, have undertaken what Dolan called “an unprecedented flight from work.” Seven million men in that age range aren’t in the workforce and are “affirmatively not looking” for work, Dolan said.

“We have a lower participation rate for these men. That labor force participation hasn’t been this low since the early 1940s,” Dolan said.

Dolan attributed the workforce participation rate to the availability of welfare, the opioid crisis, and the demand for a more equal work life balance from millennial workers.

According to the labor bureau, economic strife exacerbated by the COVID-19 pandemic also impacted the country’s workforce, as jobs were lost and wages impacted by loss of sales.

“Work-life balance, it was never a big deal,” Dolan said. “I mean it was a big deal, I would have loved to have it, but it wasn’t something that I demanded for sure.”

That contrasts with the psychographics of previous generations, particularly the baby boomer generation.

That subset of the population was the vast majority of the workforce for the later half of the 20th century, but by 2002 they began leaving the workforce.

Dolan said their departure was at a manageable rate until the pandemic created a surge of retirements that hasn’t let up.

“Boomers were the workforce, for years and years and years, massive numbers,” Dolan said. “They were generally educated, they were hardworking, they were loyal and submissive. I don’t say that in a bad way, it sounds bad right? I don’t say it in a bad way.”

Dolan said boomers took whatever their employer threw at them, be it a move, an employment termination or something that may be perceived as

unfair by workers today.

Compared with older generations, millennials and Gen Z have more career options, such as driving for Uber or starting a business on Shopify, that diverge from the traditional type of employment.

“And then there’s all these new potential career choices,” Dolan said.

“Influencers. Did you hear about these influencers that are making tens of millions of dollars? It’s insane.”

According to ZipRecruiter, 33% (the 25th percentile) of social media influencers make between \$26,000 and \$31,999 a year. The overall average pay of a social media influencer is \$41,047 a year, and anyone making more than \$75,000 to \$80,000 a year is considered an outlier.

Dolan said crypto currency trading has been another alternative income source that wasn’t available in the past decades. However, he said he thinks the likelihood of people becoming millionaires or billionaires with crypto currency is low.

Regardless of the reasons for the shrinking workforce, companies are having to change the way they recruit.

Dolan said companies need to establish why a potential employee would want to work for them, establish a vision that goes behind just numbers, and cultivate a culture that drives employee retention.

“Culture is how your employees’ hearts and stomachs feel on Sunday night,” Dolan said.

Dolan said a job posting should no longer be a laundry list of what a company wants in an employee but instead be a marketing document designed to showcase the opportunity.

Resource Bank, a financial institution with 10 locations in DeKalb County, sent Debbie Bex, the bank’s director of human resources to Thursday’s seminar. Bex said she came because “just like many of the professionals” who attended the seminar, the bank is facing challenges with recruiting and retaining employees.

Bex said the seminar reinforced what Resource Bank has been internally talking about for the past several years.

“Really, nothing shocked me or surprised me,” Bex said. “I think it just reinforces this flexibility requirement that people ... we have to figure out

how to have flexible work places for people's work schedules.”

Paul Callighan, a economic development corporation executive board member and co-chairman of the Business Retention/Talent Pipeline Committee, said Thursday's seminar was well attended by area businesses.

“I think this just shows the benefit of having an economic development organization looking at the whole county trying to help business owners be able to bring prosperity to the area,” Callighan said.