



The Labor Crisis

How we got here



It's not a new problem – it's an exacerbated problem

- **In February 2020 (before the COVID crisis), a record 70% of US businesses reported a talent shortage.**
- **Currently the US faces a record 11 million job openings with a shrinking number of people available to work**



So how did we get here?

Decreasing Population

Fifty years of birth rates below replacement levels.

Retirement

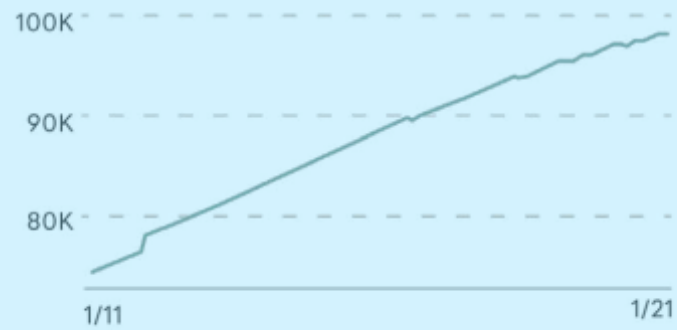
A record number of Americans are reaching retirement age

Labor Force Participation Rate

A steadily falling labor force participation rate (LFPR)

Decreasing population

55+ Imminent retirees



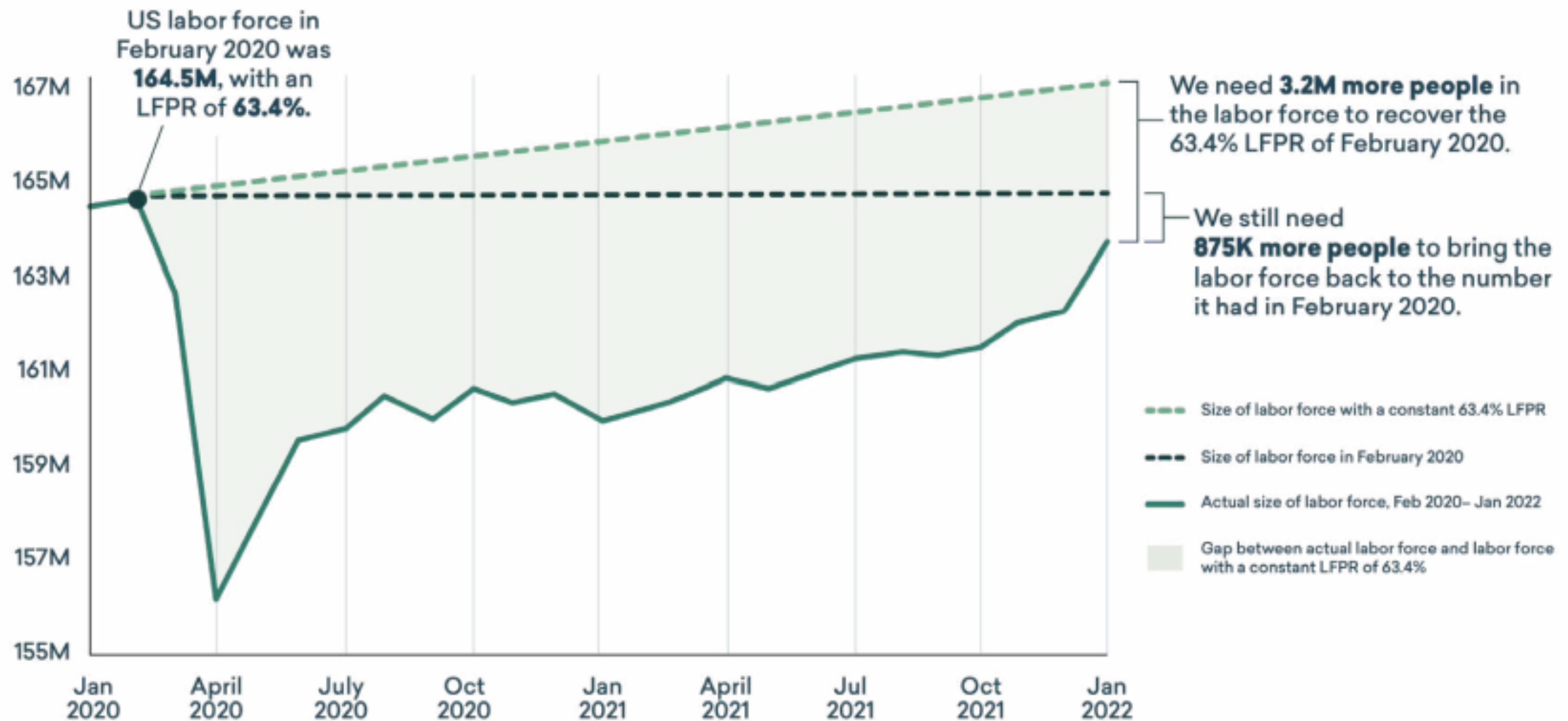
25-54 prime-age workforce



16-24 entering workforce



We Need 3.2 Million More Workers to Get Back on Track



Source: Bureau of Labor Statistics, Current Population Survey, Seasonally Adjusted: February 2022

Population

So what's up with the slow population growth?

*It's complicated

Industrialization

Rising costs of raising children

Urbanization

Secularization

Decline and delay of marriage

Women's education and employment

Debt and delayed college enrollment

Unemployment and economic uncertainty

Even with the population dropping, the Labor Force participation rate is also dropping.

AKA – Why don't people want to work anymore?

1

2.4 million
women left the
workforce in 1
year

2

Men have been
dropping out of
the workforce
since 1980

3

Boomer wealth
and delayed
responsibilities

4

Opioid epidemic

5

Attitude shift:
The rise of part
time work



What can we do now?

Certain painful consequences from the current demographic shift are unavoidable. Colleges and businesses may close for lack of people. The economy may shrink and living standards decline. But those who study the data and plan creatively can fare better in the coming years.



The only way to fill the millions of jobs that remain unfilled is to grow the size of our labor force.

Immigration

Engage people on the sidelines

Have more babies?

Embrace the job freedom mentality

Reskilling, upskilling, and alignment

Creatively recruit

Be active in recruiting

Retention, retention, retention

Questions? Comments? Strategies?

THANK YOU