WINNING THE WAR FOR TALENT:

POLICY AND BEST PRACTICE RECOMMENDATIONS
EXECUTIVE SUMMARY

Georgia businesses applaud record low unemployment rates and unprecedented economic development announcements and are focused on workforce development solutions to continue our record job growth.

Critical to this long-term prosperity is addressing the global talent challenges here in Georgia. COVID-19 accelerated numerous trends that have caused many Georgians to re-prioritize family needs, consider new career paths, and expect more flexibility and greater benefits from their employer.

Pre-COVID, there were 3 openings for every person looking for a job in our state.¹

Georgia’s next decade of economic growth depends on implementing creative, bold, and untraditional workforce solutions, now.
The War for Talent: An Overview

Across our state, workforce shortages persist, impacting every industry and business size. And though we have witnessed an unprecedented global pandemic, this war for talent existed long before 2020 as employers began to experience mismatched skill sets in their job candidates.

Georgia has seen unmatched economic growth over the last three years and remains the top state in the nation in which to do business for the 8th year in a row. With continued economic development announcements of new jobs and investments, we believe there will continue to be workforce concerns. Addressing this short- and long-term challenge is a high priority for continued prosperity and economic growth.
OUR CURRENT CHALLENGE

Short-Term Concerns:

- **Worker Exit:** In the months of March and April 2020, employment fell by 25 million individuals in the U.S. Nearly 60% of those who left the workforce continue to not be in the labor force and nearly 30% of those unemployed are not reemployed.ii

- **New Economic Skills Gap:** While many Georgians worked from home or fought to keep their careers and/or business solvent, most workers failed to keep pace with certification, skills enhancement, and upskilling.

- **Reprioritization:** A significant percentage of the Georgia workforce used the pandemic as a reset to reconsider their career choices and to search for new opportunities.

- **Resignation:** In any given year, the workforce sees a normal “churn” of workers. That “churn” was nonexistent in 2020, so it’s made the normal 2021 market more dynamic.

Long-Term Opportunities:

- **Global Talent Shortage:** Tighter federal worker VISA requirements have equated to 3 million fewer legal immigrants in the last 4 years. These shortages are acute for the agriculture and technology sectors.iii Addressing federal legal immigration reform is critical.

- **Access Underutilized Talent:** Many workers have been excluded from the workforce or can only access limited opportunities. This impacts those formerly incarcerated, refugees, and individuals with disabilities. Removing barriers so this talent pool has the opportunity to contribute creates a huge opportunity for increased economic success.

- **Grey Tsunami:** Georgia will see over 1 million Baby Boomers retire early in the coming years, creating a tremendous strain on businesses seeking to both hire and retrain workers to fill those positions.iv Keeping seniors engaged is a sensible solution for many businesses.

- **Career Pathway Alignment:** For too long Georgia high school and college students have pursued career pathways outside of the jobs available in their own communities. This has led to rural ‘brain drain’ and other concerns for manufacturing, construction, and numerous skill trades. A great realignment is needed.

- **Workforce Housing:** Many young Georgians simply cannot afford quality housing as they build their careers. This impacts inner-cities and rural communities alike. A bold vision for housing would support future talent attraction in many communities.

- **Population Decline:** Though Georgia remains a top destination for inward migration of incredible talent, overall U.S. birthrates have declined, and experts predict a 6-million person labor shortage by the end of the decade.v Ensuring that Georgia is open and welcoming to new talent has been and must continue to be a priority for policy leaders.
DATA DISCOVERY

In the second quarter of 2021, data showed that there were at least 406,000 job openings, but only 231,000 Georgians registered for unemployment. September data revealed that there were now at least 333,914 active job postings and 181,656 Georgians registered for unemployment. McKinsey and Company research pre-COVID showed that for every 1 person seeking a job there were 3 openings. This demonstrates a substantial, persistent workforce shortage, proving the state must implement solutions to engage a different group of individuals to participate in the workforce that are not currently.

The opportunity to sustain and increase economic growth requires that barriers to employment be reduced. This includes a greater emphasis on upskilling to ensure individuals are adaptable in the short term and long term. Private and public leaders cannot lose sight of the fact that estimates indicate automation trends have been accelerated by at least five years, meaning 30% of work activities could be automated by 2025. 63% of Georgians have less than a high school diploma, and workers with less education are more vulnerable to impacts of technology advancements.

Underpinning these workforce challenges is the reality that Georgia students experienced learning loss due to COVID-19 interruptions. Learning loss presents an incredible challenge because our many K-12 students will likely enter post-secondary education or the workforce without needed competencies due to COVID-19. A study commissioned by Learn4Life found that in 2020, due to the 9-week interruption, the percentage of student proficient in English-Language Arts would drop 3.6 points and 4.9 points in Math on the Georgia Milestones as compared to 2018-2019. A Georgia Department of Education survey of local school districts revealed 40% of respondents had administered assessments to gauge learning loss from March 2020 to May 2020. Comparatively, 93% of respondents shared that they had administered assessments to gauge learning loss from August 2020 to December 2020. This data will be invaluable to drive decisions about how best to support students and teachers. District leaders report they are utilizing federal CARES Funds to cover programming costs related to learning loss.
**POLICY RECOMMENDATIONS**

**Access Underutilized Talent:**

- Empower courts with discretion to suspend and recall suspensions of driver's licenses so these individuals do not have transportation as a barrier to employment.
- Extend the existing pauper's affidavit to 100% of reinstatement fees of driver’s licenses.
- Require all licensing boards to consider recency, relevancy, rehabilitation, and age for applicants with criminal records, and presume expunged records are irrelevant.
- Enact clean-up language to make SB 288 work for more Georgians, including allowing expungement of all misdemeanor theft convictions, sealing of citation records, and immediate and automatic expungement of pardoned offenses and human trafficking vacated convictions.

**Advanced Skills Development:**

- Promote policies that increase awareness and access to higher education options for Georgians as well as the return on investment of a degree program based on anticipated income.
- Students should be required to complete the FAFSA in order to receive HOPE funding with an opt-out option for families that are sure they will not qualify for federal aid. This will allow more students to access federal dollars to help pay for college, decreasing their student debt.
- Create statewide last mile completion grants like Georgia State University’s Panther grant, to enable students currently enrolled in post-secondary education to complete their degree and contribute to Georgia’s workforce. These could be funded through continued corporate and private giving as well as interest from lottery reserves or appropriated dollars.
- Foreign-born individuals first must complete a GED before enrolling in a technical college or university. Allowing these legal immigrants to pursue a GED and higher education simultaneously would allow them to move into the workforce more quickly and contribute to Georgia’s economy. Similarly, legal immigrants do not qualify for in-state tuition for one year. This prevents many legal immigrants from enrolling in technical colleges and universities because of the cost. Reducing this wait time would enable more individuals to obtain the skills Georgia needs to grow our economy more efficiently.
- Implement additional digital student supports like chat bots and Artificial Intelligence (AI) to provide new opportunities to engage with students through technology in a more efficient manner to increase degree persistence and completion.

**Global Talent:**

- Enact policies that allow DACA recipients who graduated from a Georgia high school to access in-state tuition to Georgia higher education institutions.
- Enact Federal visa and immigration reform to access global skills and talent for agriculture and technology fields.

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By 2025, 60% of jobs will require some type of college degree or credential. Right now, only 36.8% of Georgians have an associate degree or above, and in rural Georgia, the share shrinks to 24.9%. The opportunity to provide needs-based scholarships to Georgia students should be explored so our state's workforce remains competitive in the short and long term.

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Future Talent Needs:

★ **Workforce Housing:** The Georgia Chamber, The Hub Chamber Council, and other partners will launch a study to review and recommend local housing policies in 2022.

★ **Portable Benefits:** Over 40% of workers today are part of the GIG economy, working multiple jobs and often without benefits. By 2030 that percentage will rise to over 50% of Georgia workers. Georgia should develop a public-private portable benefits program to provide essential benefits like healthcare and retirement for this important and growing portion of the workforce.

★ **Career Pathway Alignment:**

★ Explore opportunities to create more HOPE-funded Pre-K slots to increase access to early learning education for more Georgia children.

★ **Provide financial resources for childcare and transportation** for HOPE Career Grant programs and streamline those programs to maximize effectiveness. CAPS program funds can be utilized to support this from a childcare perspective.

★ Support utilization of best practices and successful strategies to address learning loss in communities across the state, including elevating replicable bright spots and engaging in regular formative assessments.

★ **K-12 curriculum** should be examined and modified to ensure students are prepared at an early age for the skills they will need to be competitive in the workforce. This includes computer science, data fluency, coding, and cybersecurity. These efforts must include businesses to clearly illustrate future job requirements, emerging skill trends, etc.

★ Teachers need additional resources to prepare students to be adaptable and meet the needs of Georgia’s evolving economy. State funds should be prioritized for the professional development of teachers related to coding, data fluency, and technology utilization in the classroom.

★ Leverage and expand programs like Cherokee County’s Be Pro Be Proud campaign that connects students with essential job training for long-term career development. [https://www.beprobeproudga.org/](https://www.beprobeproudga.org/)

★ **Targeted college and career guidance** is vital to ensure students enroll in post-secondary education and complete a credential or degree. Funding should be provided for College Advising Corps advisors to eventually be in every high school in the state.

★ Support implementation of entrepreneurial education pathways in K-12 education as well as increase of entrepreneurial certifications at post-secondary institutions. This will bolster our pipeline of future entrepreneurs and small business owners.

★ In a recent Georgia Chamber survey, businesses overwhelmingly asked for better apprenticeship and internship programs and coordination. Georgia has a strong base, and many companies have developed their own programs. A coordinated effort to develop a one-stop-shop for these initiatives should be developed.

★ The State of Georgia should continue to promote upskilling and private sector retraining by reforming and expanding the Job Retraining Tax Credit Program.

★ Promote flexibility in occupational licensing requirements to maintain and expand talent pipelines for essential workers.

★ **Promote programs** like the Greater Macon Chamber of Commerce Greater Macon Works program ([www.greatermaconworks.com](http://www.greatermaconworks.com)) and the Augusta Metro Chamber of Commerce’s Talent2Work initiative ([www.talent2work.net](http://www.talent2work.net)) that connect job seekers, educators, students, and employers in a unique and future-focused method.
BUSINESS BEST PRACTICES

Businesses have implemented a variety of practices to encourage individuals to return to the workforce including flexible work schedules, increased wages, and financial incentives for regular attendance. However, most employers still face substantial workforce shortages.

The Great Attrition has had profound impacts on our economy. Across the U.S., more than 38 million workers have left their job since April 2021. 40% of employees said they are somewhat likely to leave their job in the next 3 to 6 months. Many individuals are re-prioritizing family needs, retiring early, or considering alternate career paths, which leads them to change jobs often without a new opportunity in hand.¹⁰

These broad trends will continue to disrupt our labor force, but it is apparent that there is a disconnect between employers and employees. New practices are needed to ensure Georgia businesses have the workforce they need to meet current demand and propel future growth.

* New Economy Business Engagement Strategies:

1. Utilize a consistent on-boarding and engagement strategy to show how your company is doing the right thing repeatedly and considering how best to give back to employees so they feel valued.

2. Find ways to reward individuals in their current roles by creating additional levels in a job as well as promotion opportunities. This allows individuals to be recognized for good work quickly, providing career paths and development options along the way.

3. Shift thinking from transactional rewards to those that meet the needs of employees as individuals. Employees have cited the biggest reasons for leaving their job as not feeling valued or feeling a sense of belonging. Raising wages might not be as important because a better paying job could be found many places.

4. Companies should fully embrace and implement bold Diversity, Equity and Inclusion (DEI) strategies. Georgia has become a very diverse and dynamic state, and businesses that have true strategies are seeing 6% higher ROI. Building inclusive teams builds stronger business outcomes and opens doors to more potential employees.¹²

Georgia Department of Labor Survey

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Reason for Leaving</th>
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<tbody>
<tr>
<td>45%</td>
<td>Job seekers did not return to work because they could not find positions they were qualified for.</td>
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<tr>
<td>10%</td>
<td>Jobseekers shared it was due to childcare challenges.</td>
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<tr>
<td>50%</td>
<td>Employers stated that they did not hire applicants due to a lack of necessary experience.</td>
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</tbody>
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¹⁰ xi xii
**Accessing Underutilized Talent:**

- **Refugee hiring**- Individuals who legally enter the U.S. as refugees after fleeing their home country due to religious or political persecution bring skills that they are eager to utilize once they arrive. For example, many of the individuals immigrating from Afghanistan speak English well and served alongside the U.S. military. Refugees have lower turnover rates at companies than non-refugee workers, 4% compared to 11%, and employers state that they are loyal and dependable employees.

- **Second chance hiring**- Second chance hiring plays an important role in addressing Georgia’s and the nation’s workforce shortage by allowing previously incarcerated individuals who are ready and willing to work the opportunity to do so. Nearly 40% of Georgia adults have a criminal history. Georgia’s new law for second chance hiring included employer liability protections. This change might allow you to alter internal screening policies and allow for increased second chance hiring.

- **Disabilities**- There are 15.1 million people of working age living with disabilities in the U.S. The nation’s GDP could increase by up to $25 billion if just 1 percent more of persons with disabilities joined the U.S. labor force. Companies that have championed DEI efforts related to individuals with disabilities have achieved 28 percent higher revenue, doubled the net income, and saw 30% higher economic profit margins on average. Talent recruitment, support services, and mentoring programs can be implemented in order to fully obtain the benefits of engaging this pool of workers.

**Multi-Generational Talent** - Research shows that employers perceive candidates over 45 years old to have fewer skills as opposed to younger workers even though the older workers have equal or better performance. At the same time, many employers have discontinued once popular after-school or part-time employment opportunities for teenagers. Employers should consider:

- Altering hiring practices to suppress potential age biases by allowing them to show their skills through demonstration exercises.
- Changing employer training approaches to make it easier to fill roles by transitioning existing 45+ employees instead of focusing exclusively on new hires.
- Consider changing full-time positions to part-time positions to allow retired individuals to job share a role.
- Over the last two decades there has been a significant decrease in teenagers working during high school. This dropped from 50% to just 30% last year. Businesses should develop strategies to re-engage with young workers.

**Accelerate the Digital Transformation of Skill Building, Job Seeking, and Data Management in the Career Pipeline:** The Georgia Chamber Foundation research also finds that a new approach to career pathways, credentialing, recruitment, and engagement between students, career professionals, and job creators is needed. With the Georgia Chamber working as a conduit between educators, parents, business, and government, we believe the time is right for greater collaboration to find solutions.
A public-private partnership is needed to **re-think employability skills development** to seamlessly connect them digitally to high education, degrees, industry certifications, and employers. This program could advance digital access, skill development, and enhance job quality for all workers while connecting them to essential support services as we rapidly connect jobseekers to work.

Georgia should lead the nation in developing new **job matching, career development, and data management** for educators, employees, and employers by fully understanding how today’s students and job seekers think and engage.

**Partnerships with Higher Education Institutions**- Partnering with technical colleges and universities is vital to ensure graduates are equipped with the skills to be successful in Georgia companies. By developing relationships with institutions, businesses will not only create pipelines for talent, but also have the ability to better align curriculum and experiential learning to current industry needs. This fosters a more adaptable, responsive system built for the 21st Century.

**Partnerships with K-12 Schools**- Students in our K-12 schools often have limited exposure to occupations and industries, which limits the career options they consider. Employers should develop a range of opportunities to engage with local students through field trips, work-based learning, apprenticeships, and other programs investing with K-12 to build relationships with middle and high school students.
LOOKING TO THE FUTURE

By 2030, 65% of the jobs from 2020 no longer exist and the U.S. will face a shortage of 6 million workers. The workforce imperative is clear: **Georgia must have more skilled workers to sustain and propel future economic growth.** Our economy is changing, and bold service is needed to mitigate the risks and capitalize on opportunities. Through the collective efforts of our elected leaders and the business community, our state will be equipped to create greater prosperity for more Georgians.
RESOURCES FOR BUSINESSES:

- [gachamber.com/foundation](https://gachamber.com/foundation)
- [https://gpee.org/](https://gpee.org/)

**Hiring Refugees** - International Rescue Committee (IRC), [https://www.rescue.org/](https://www.rescue.org/)
Contact: Lauren Bowden, Career Development Coordinator, lauren.bowden@rescue.org

**Second Chance Hiring** - Georgia Justice Project (GJP), [https://www.gjp.org/](https://www.gjp.org/)
Contact: Brenda Smeeton, Legal Director, brenda@gjp.org

**Veteran Hiring** -
- Hire Heroes USA: [https://www.hireheroesusa.org/](https://www.hireheroesusa.org/)
  Ross Dickman, COO, rossbdickman@gmail.com
- The Warrior Alliance: [https://www.thewarrioralliance.org/](https://www.thewarrioralliance.org/)
  Stewart Williams, COO, swilliams@thewarrioralliance.org
- VETLANTA: [https://vetlanta.org/](https://vetlanta.org/)
  John Phillips, VP, johphillips@bellsouth.net

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i “Expanding Economic Pie in Peach State Presentation,” McKinsey and Company Partners, October 18, 2021


iii “Tent Partnership Presentation,” Tent Partnership for Refugees, October 14, 2021


x “Educational Attainment,” American Community Survey 5-year estimates, accessed 2019- Georgia Chamber analysis.


xii “Transforming Talent Georgia Chamber Presentation,” Labor Commissioner Mark Butler, August 25, 2021

xiii “Tent Partnership Presentation,” Tent Partnership for Refugees, October 14, 2021

xiv “Georgia Justice Project Remarks,” Doug Ammar, August 25, 2021

