

# THE WORKER EXPERIENCE

A SURVEY OF JOB COUNSELORS AND OTHER STAFF FROM MEMBERS  
OF THE MINNESOTA ASSOCIATION OF WORKFORCE BOARDS

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# DISCLAIMER

The views expressed here are the presenter's and not necessarily those of the Federal Reserve Bank of Minneapolis or the Federal Reserve System.



## TODAY'S AGENDA

- **Background on the Minneapolis Fed's Worker Experience initiative, & why we did this survey**
- **Brief intro of our survey partner, the Minnesota Association of Workforce Boards**
- **Survey results**
- **Moderated Q & A**



The background of the slide features a large, faint watermark of the United States flag, including the stars and stripes, centered behind the text.

# THE WORKER EXPERIENCE INITIATIVE

## BACKGROUND

- Federal Reserve System tracks current economy
- Lots of outreach to businesses – surveys, direct contact, advisory councils, etc.
  - Companies – esp. large ones – offer good insights on aggregate activity across states, industry sectors, etc.
- **But:** This business-first view is very one-sided, especially for today’s labor market
  - Lots of job openings, but employment still well below pre-pandemic levels; labor re-entry slower than expected
  - Labor force participation still below pre-pandemic levels despite a huge number of job openings, and we don’t have a good, systematic grasp on *why*



## TRANSITION TO WORKERS

- More specifically, *we don't have good information about workers, and especially job seekers and others not in the labor force*
  - E.g., their work objectives, views on job opportunities, non-work obstacles to job-matching, etc.
- Business data? NAICS has roughly 2,000 categories
- No comparable data for workers or (esp.) non-workers
- American Community Survey: Lots of detail on households, including workers and non-workers, but most recent release is 2020; meant for researchers



## Worker Experience Initiative

New effort to understand current labor market from labor/worker point of view

- e.g., job-seekers' experience with job search, and obstacles to getting preferred jobs
- **WHY?** Labor force participation might be most important factor in long-term economic growth
- **Starting w/ intermediaries – orgs serving job-seekers**
  - CareerForce – April 2021 (staff and workers)
  - North Dakota Job Services – June 2021
  - Montana Workforce Services Division – August 2021
  - Minnesota Employment Services Coalition – October 2021
  - Minnesota Association of Workforce Boards – January 2022
- **With this group of surveys, we've seen consistent themes that we're ready to start discussing publicly**



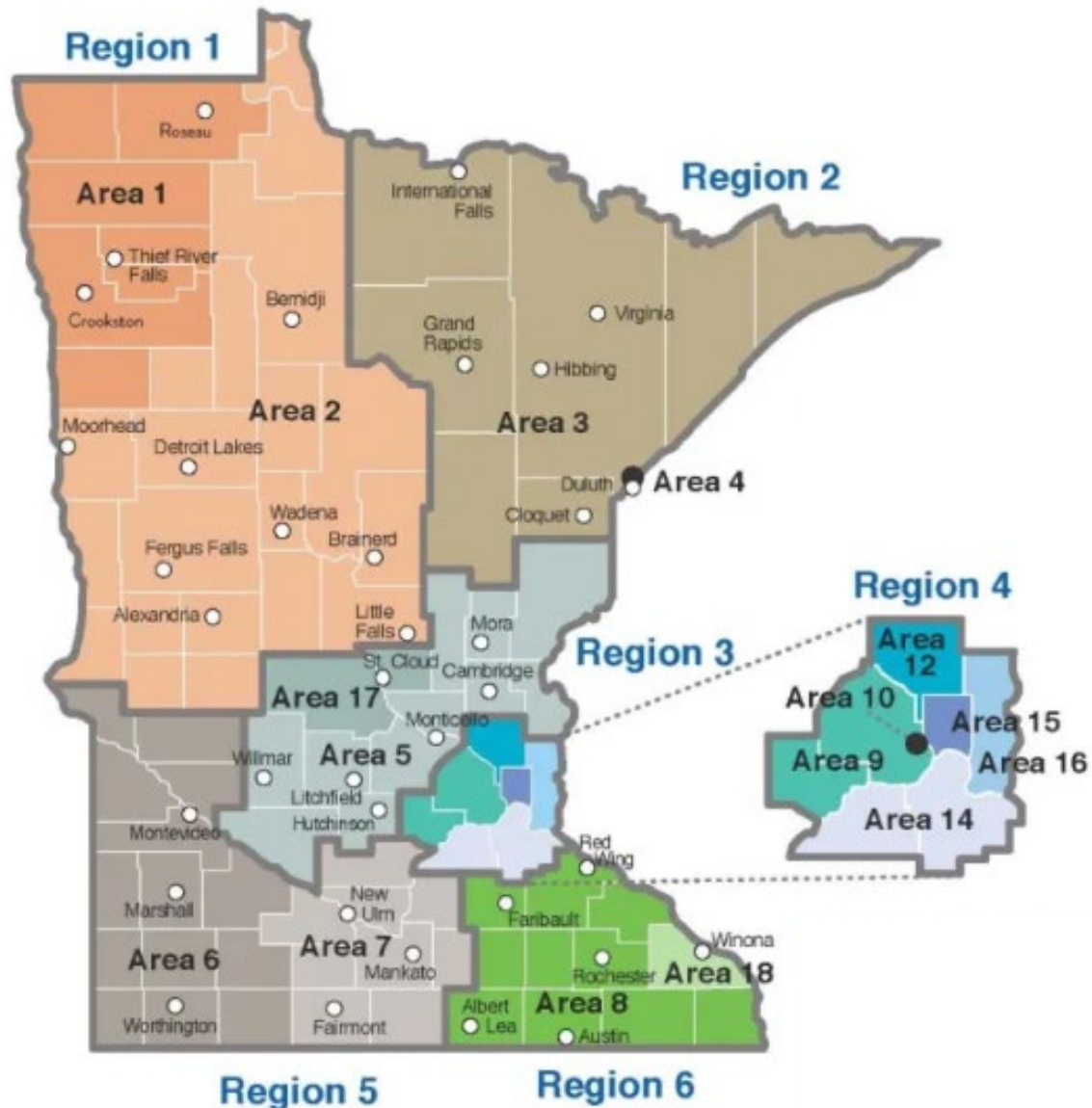


**SURVEY PARTNER**

**MINNESOTA ASSOCIATION  
OF WORKFORCE BOARDS**



# MINNESOTA ASSOCIATION OF WORKFORCE BOARDS



Minnesota Association of Workforce Boards = 16 area workforce councils

Each area council provides leadership and direction for local workforce development programs, tailored to meet community needs

**A huge thank you to MAWB**






# Survey of staff at organizational members of the Minnesota Association of Workforce Boards

January 2022

- Survey of staff with job-seeker contact at MAWB organizations
- Asked staff to assess their job-seeking clientele
- 129 responses; response rate unknown (est. > 25%)
- Not a scientific study; in essence, this is a professional but secondhand interpretation of the worker experience
- We're confident of these *general* findings because they reflect what we've found out with earlier surveys
- *Interpret with caution:* Survey likely raises more questions than answers; reflects how little we know about job-seekers





# DEMOGRAPHICS, WORK HISTORY AND DEMAND FOR SERVICES



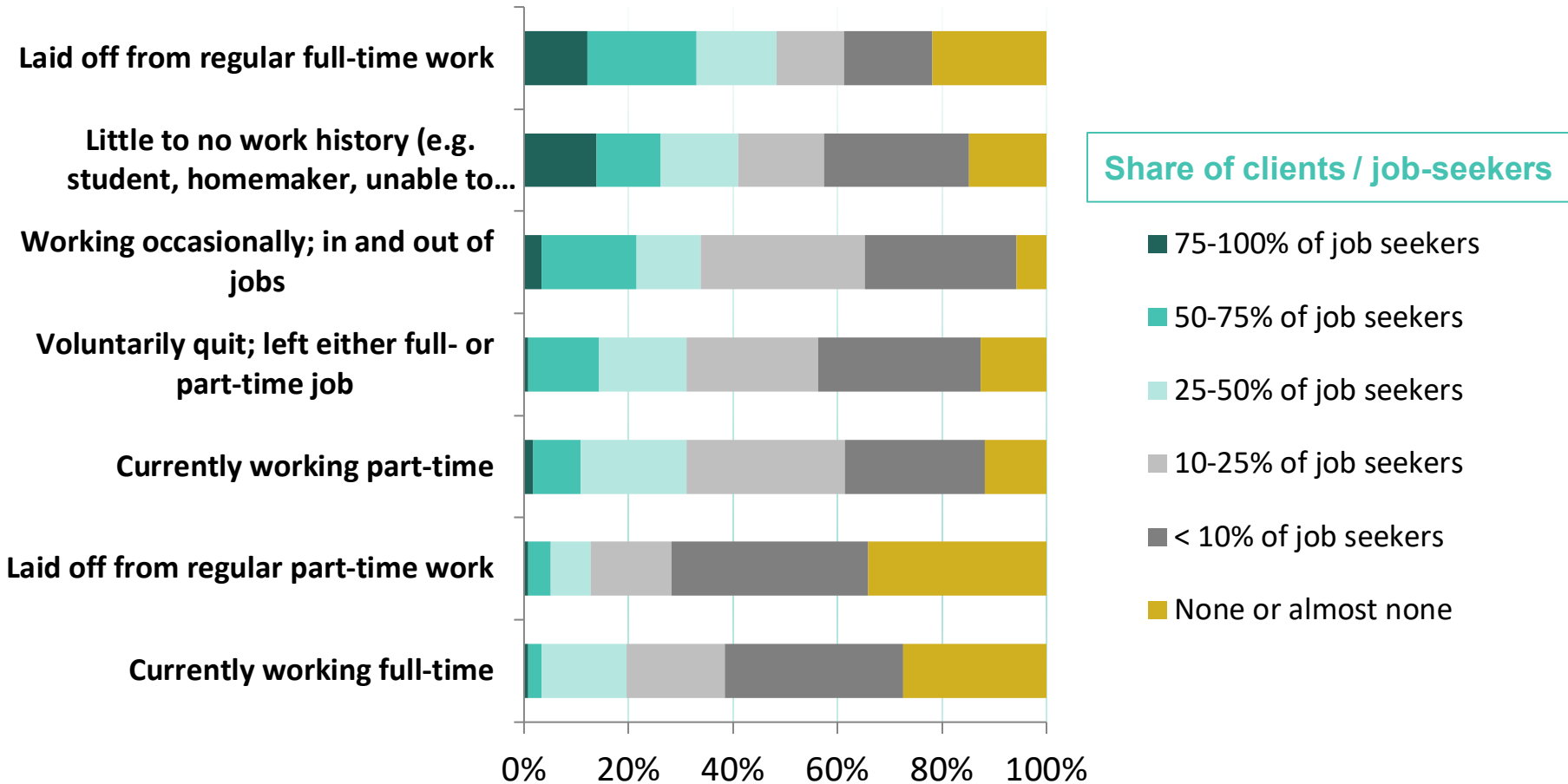
## **JOB-SEEKER DEMOGRAPHICS AS REPORTED BY STAFF RESPONDENTS**

- Largest age groups: 35-44, 45-54, 25-34
- Largest share of clientele was white, w/ smaller shares among other race/ethnicities; notable share of immigrants
- Education: High school diploma or less, + scattering of all other education levels
- Wide variety of work histories
- Many with children (single and married)
- Many receive some govt. assistance (food, housing, unemployment)



# WORK HISTORIES ARE VARIED

## Work history/background of clients/job seekers



Job seekers come with a wide variety of work (and *not-work*) histories

Top two categories:

- Those laid off from full-time work
- Those not working much at all

# DEMAND FOR JOB SERVICES

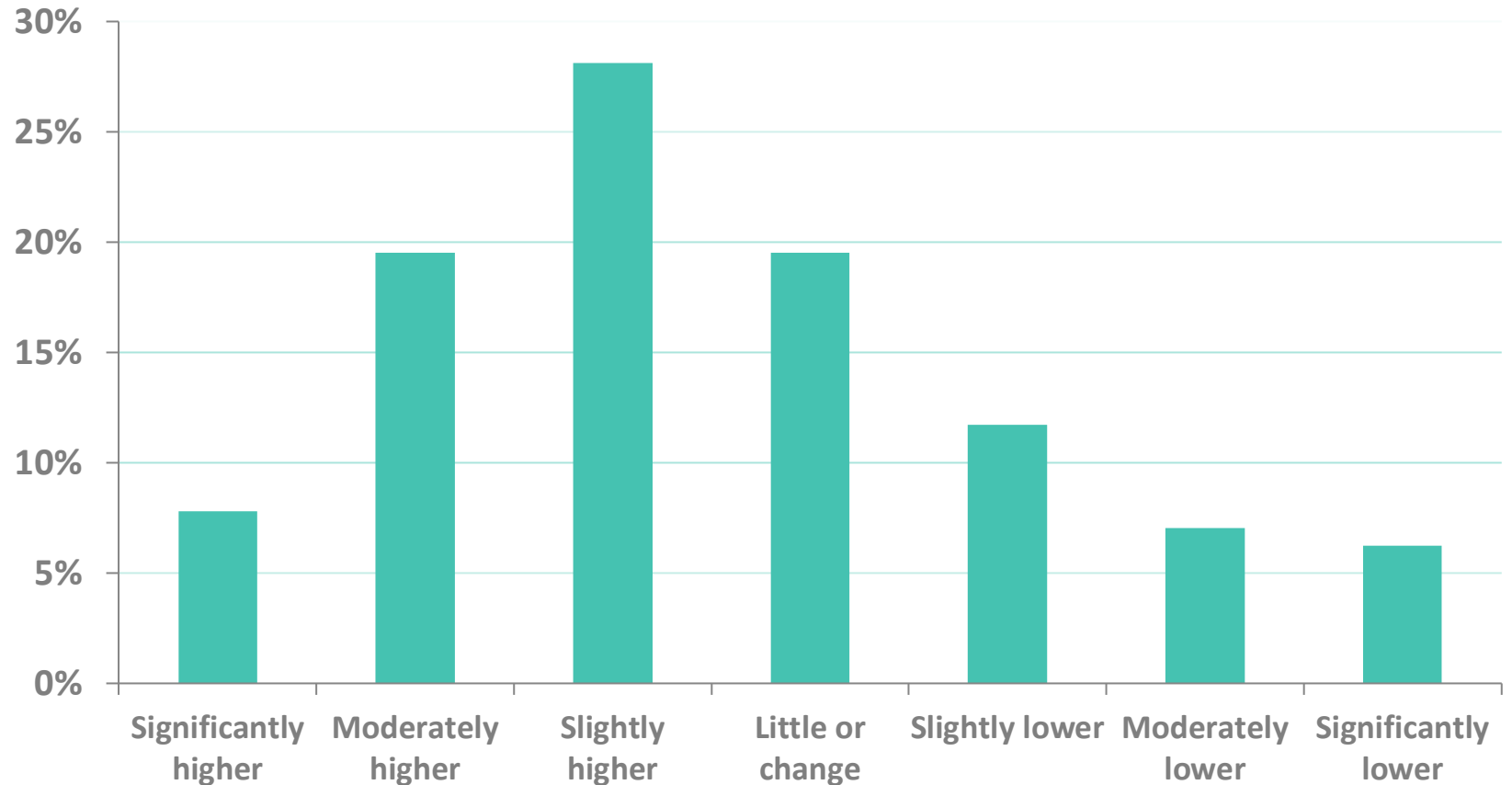
In January, demand for services was increasing

What's the driver?

Survey doesn't ask; comments suggest wide range of answers, including:

- Less Covid fear
- Consequence of being unvaccinated
- Large employer layoff
- End of pandemic UI benefit

Over the past month, how would you describe demand for services among clients/job-seekers compared with 3 months ago?





# **JOB OBJECTIVES AND SUCCESS RATES**

# WHAT IS THE JOB GOAL? PART 1

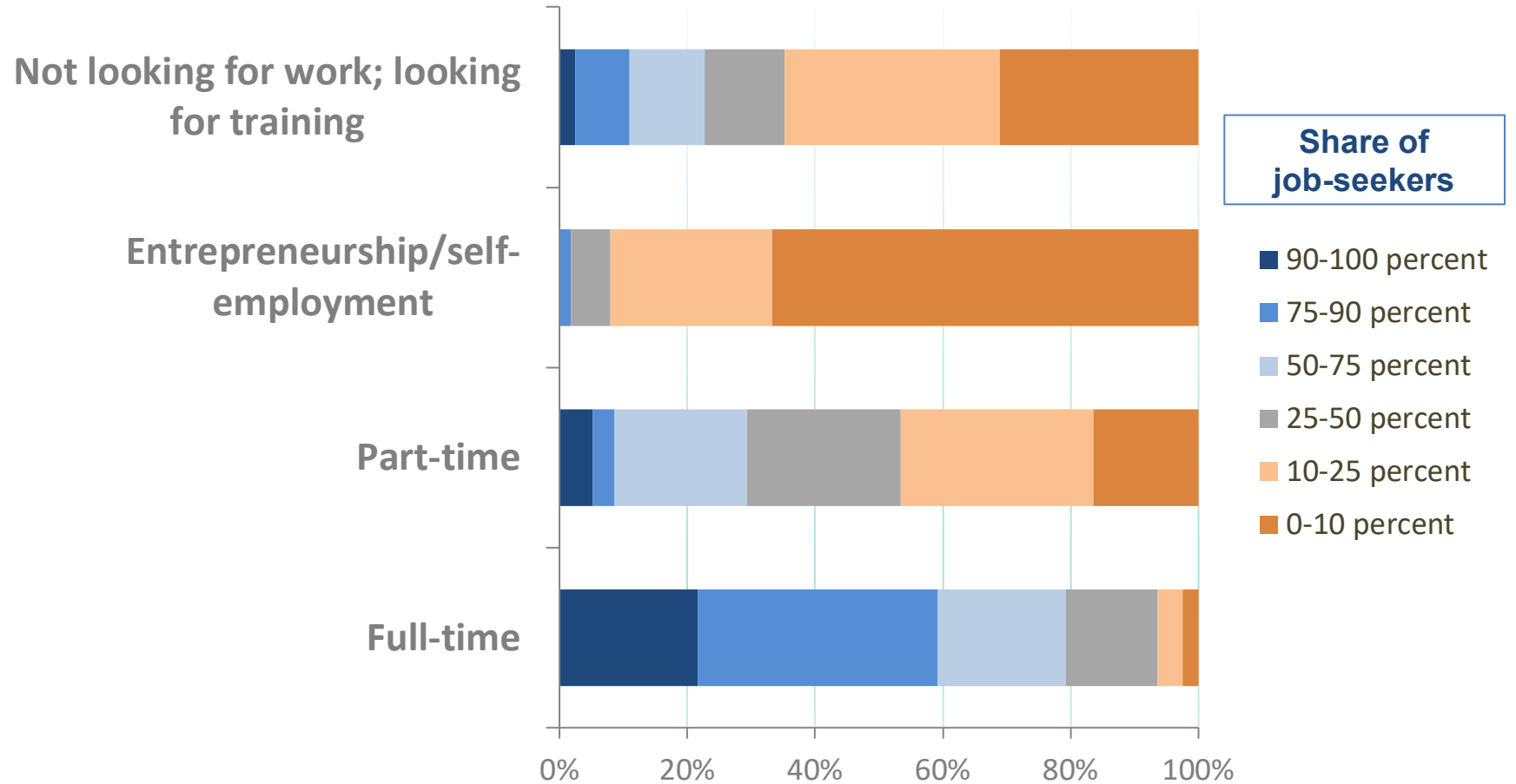
Majority want full-time work, and employers want same thing

DEED – 205,000 job vacancies (Q2, 2021)

- 64% full-time
- 32% part-time
- 5% seasonal

What we *don't* know:  
Does FT/PT supply align with FT/PT demand?

On average, what is main type of employment that job-seeking clients are looking for?

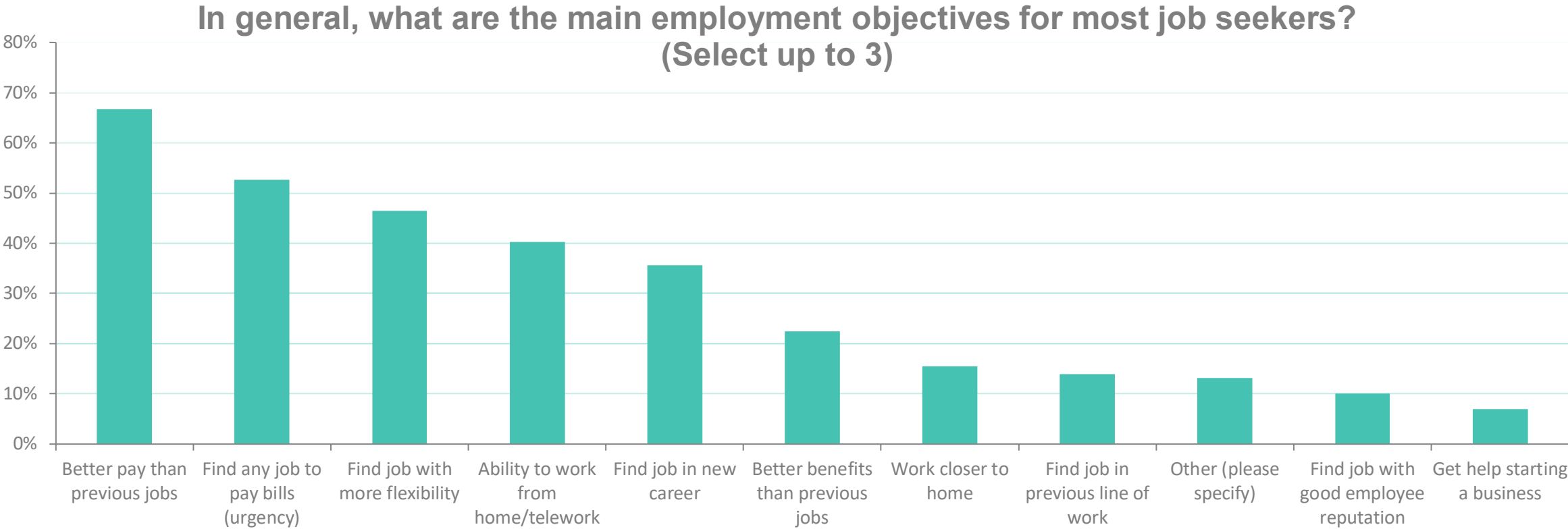




# WHAT IS THE JOB GOAL? PART 2

## Job seekers have lots of objectives

**Notable: Job flexibility, telework among top 4 objectives (cited by 40+%)**



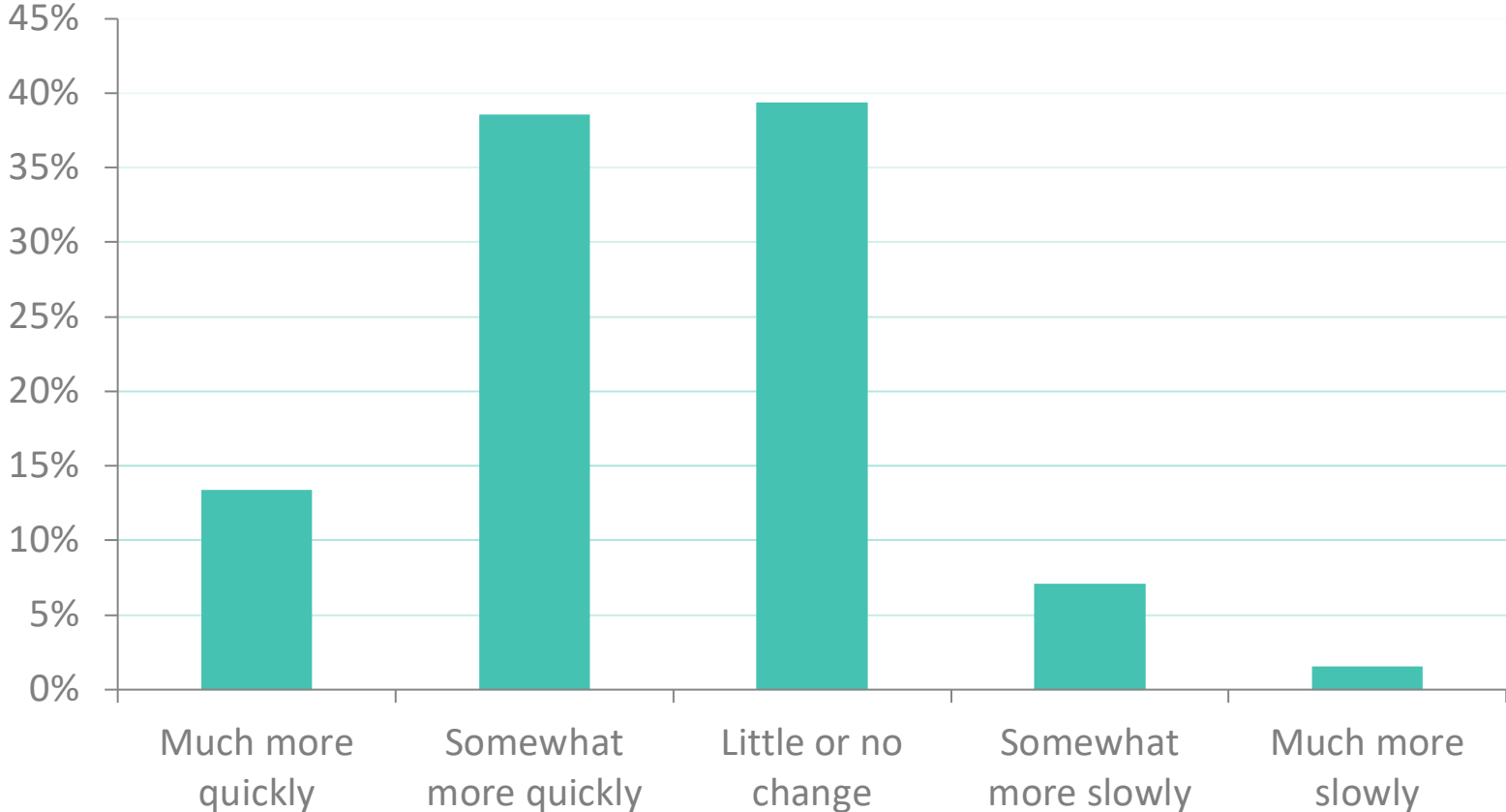
# JOB-SEEKER SUCCESS RATE

**Workers having more job success in January than 6 months earlier**

**Some reasons cited (via comments)**

- **More jobs available, incl. those previously affected by covid restrictions**
- **Some relaxing of job requirements & qualifications**

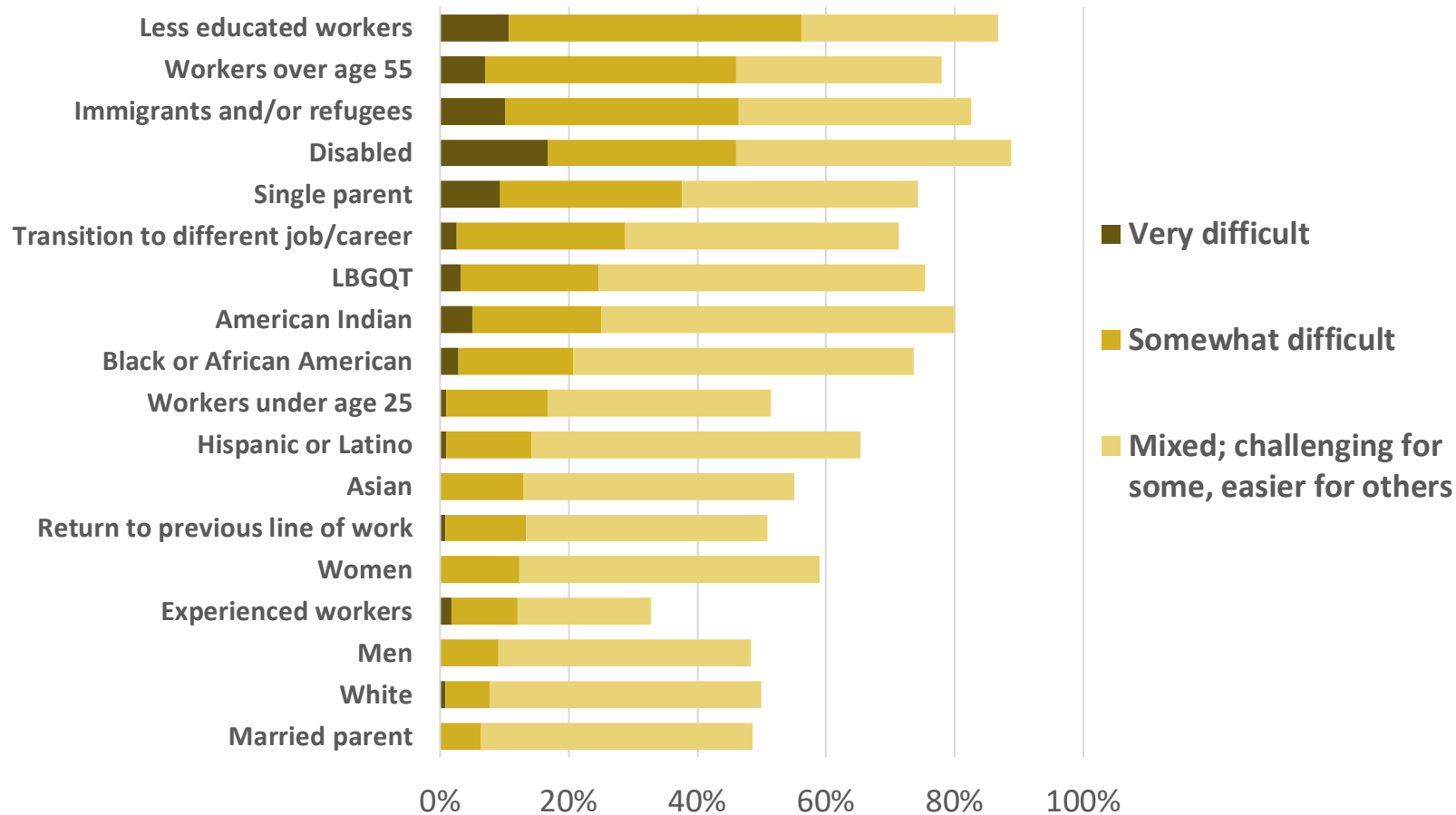
**Compared with six months ago, how quickly are job-seekers obtaining new employment?**



# GROUP DIFFICULTIES GETTING PREFERRED JOB

Please describe ease/success in getting certain types of job seekers into jobs they want and are qualified for

Non-null responses only



Job-seekers having the most trouble with job-matching have many different traits and circumstances

There are likely a lot of cross-cutting *and* compounding factors that influence job search success

Source: Federal Reserve Bank of Minneapolis



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**OBSTACLES TO JOB-MATCHING**

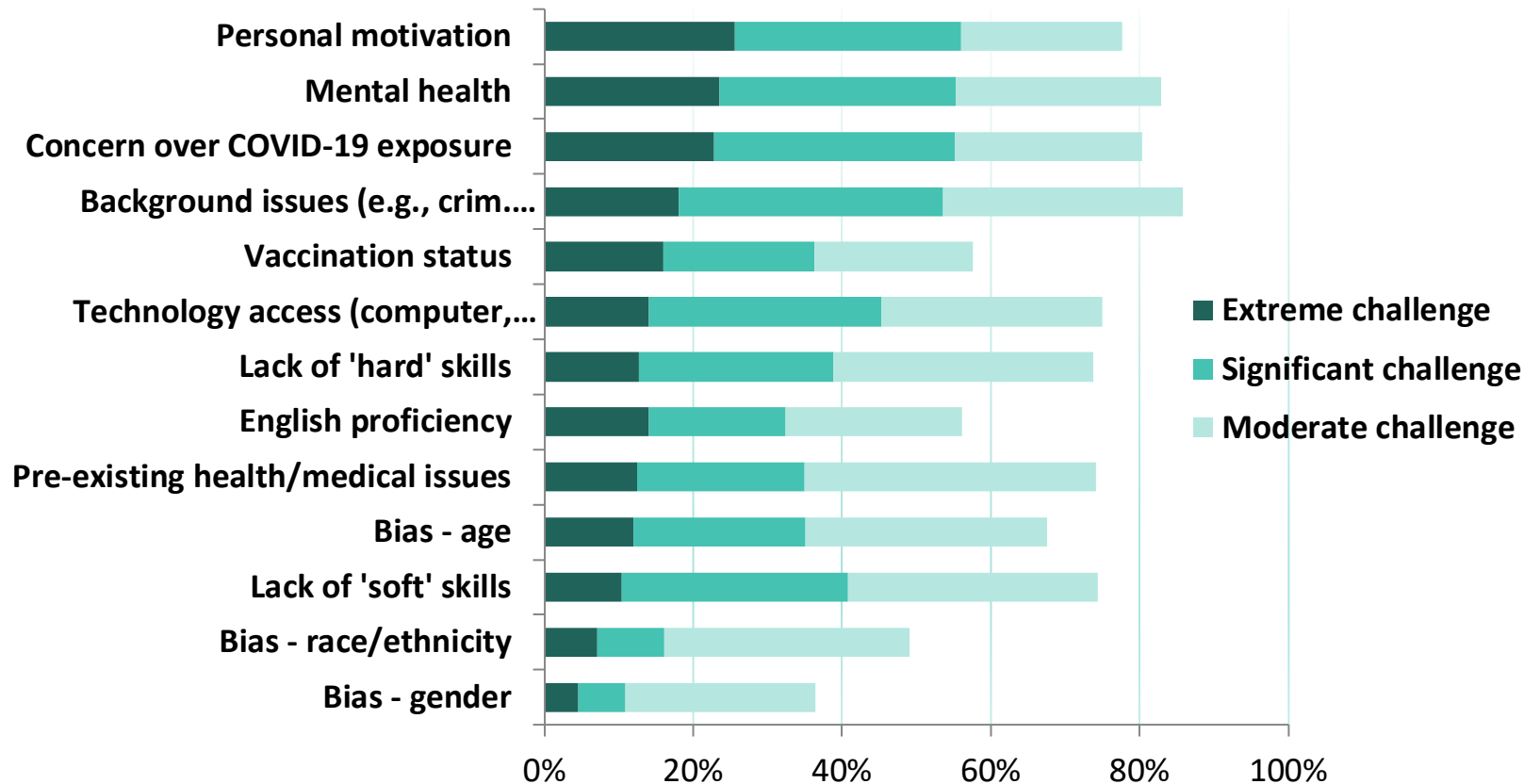
**BROADENING THE CONVERSATION**

# CHALLENGES TO JOB MATCHING: WORKER-BASED

## Worker-based challenges

How much of a challenge are the following factors to job seekers' employment goals?

Non-null responses only



Multitude of potential obstacles to labor force participation

- Some worker-based
- Some employer-based
- Some related to economic environment, government policy

For workers, motivation is an obstacle, but there are also many *other* obstacles (which likely affect motivation...)



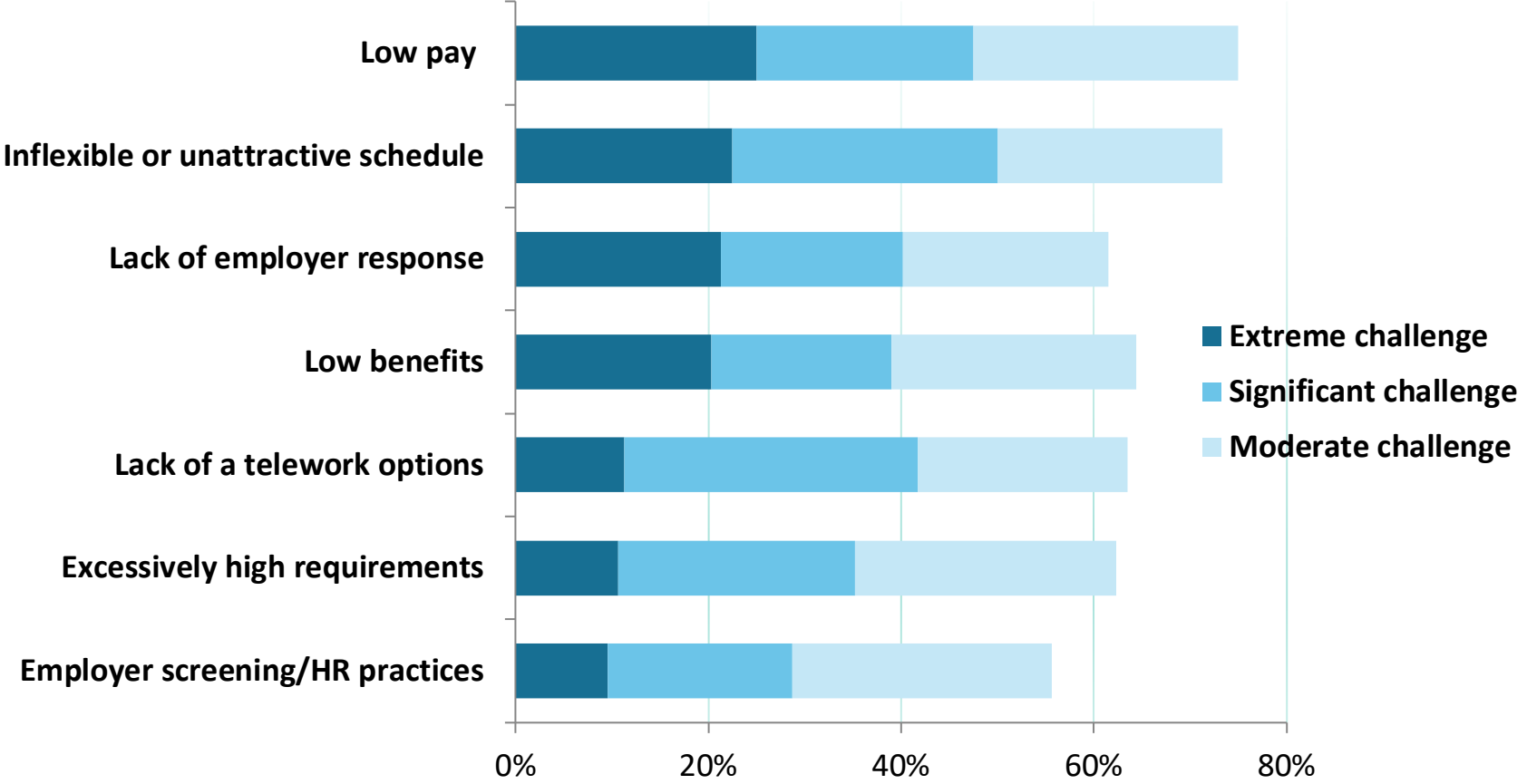
# CHALLENGES TO JOB MATCHING: EMPLOYER-BASED



## Employer-based challenges

On average, how much of a challenge are the following factors to job seekers' employment goals?

Non-null responses only



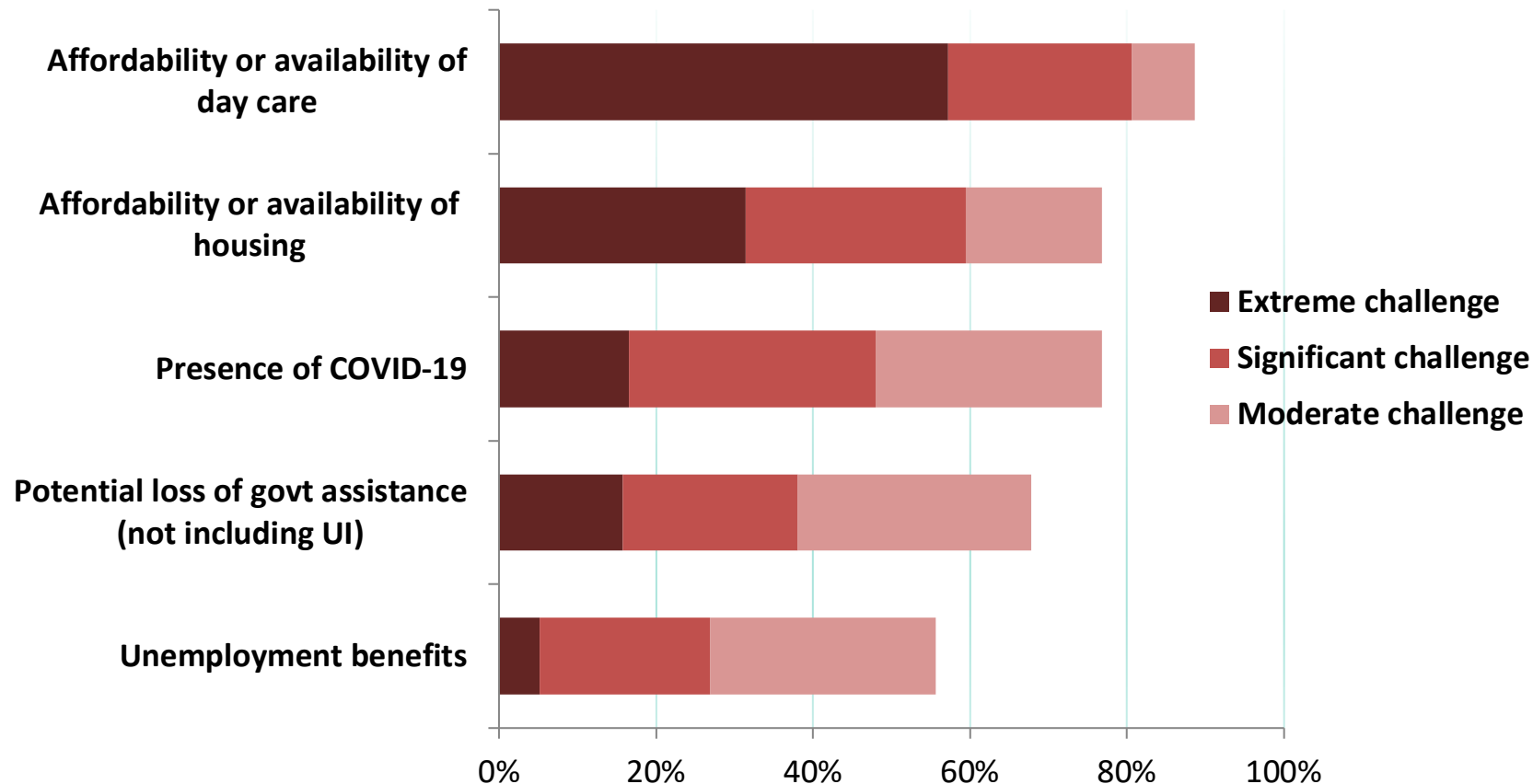
When jobs are plentiful, many available jobs are simply not very attractive, and hiring practices are not always very responsive

# CHALLENGES TO JOB MATCHING: ENVIRONMENT

## Environmental and/or government policy challenges

On average, how much of a challenge are the following factors to job seekers' employment goals?

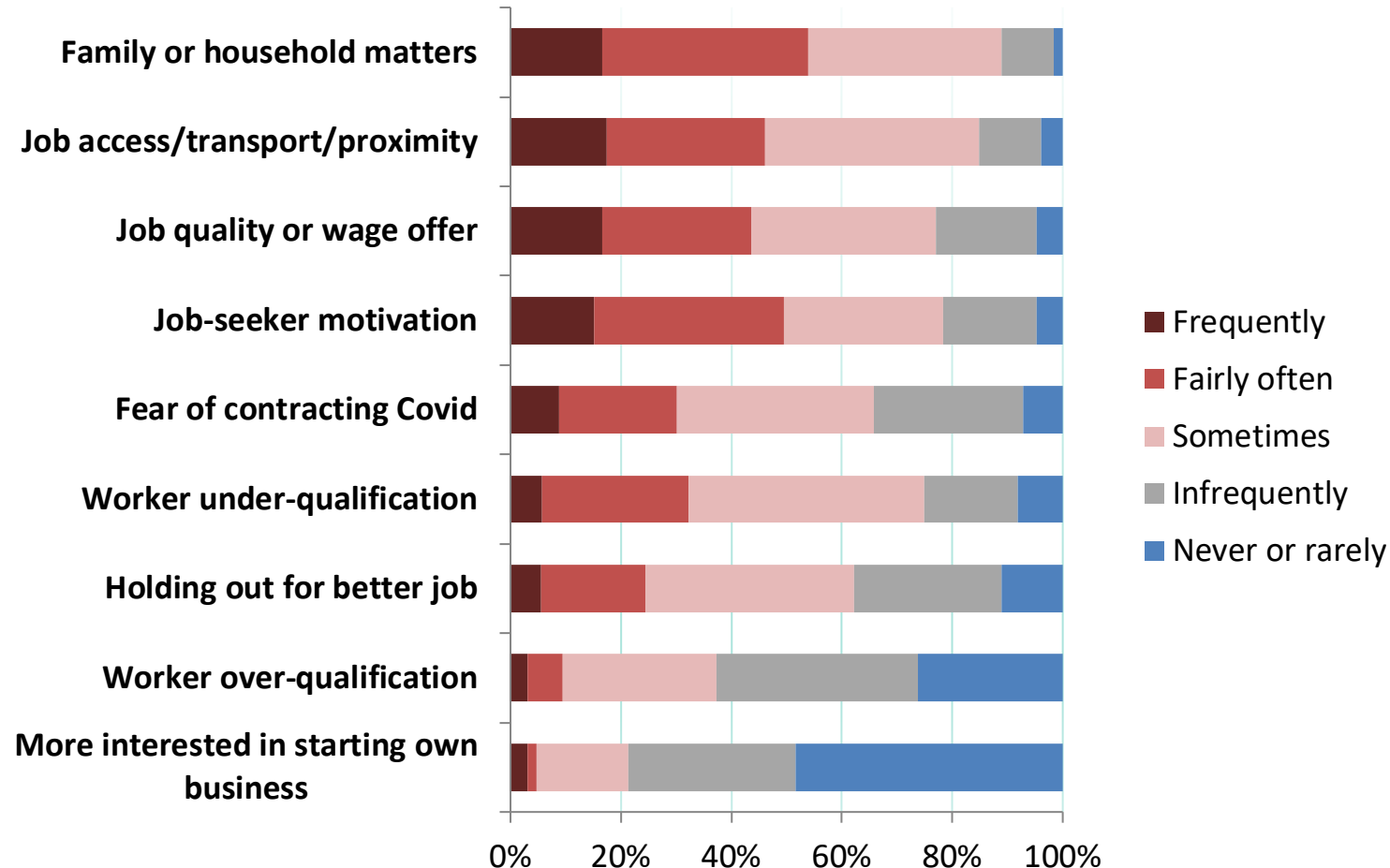
Non-null responses only



Some challenges reside outside the control of workers & employers, and relate more to current economic and policy environment where job-matching happens

# OBSTACLES, CONT.

**In general, why (or for what reasons) are job-seekers not taking available jobs?**



**Job-matching friction comes from many sources**

**Employers tend to point to external sources, esp. worker motivation**

**Workers communicate something different**

Source: Federal Reserve Bank of Minneapolis



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# ACTIONS FOR PREFERRED JOB

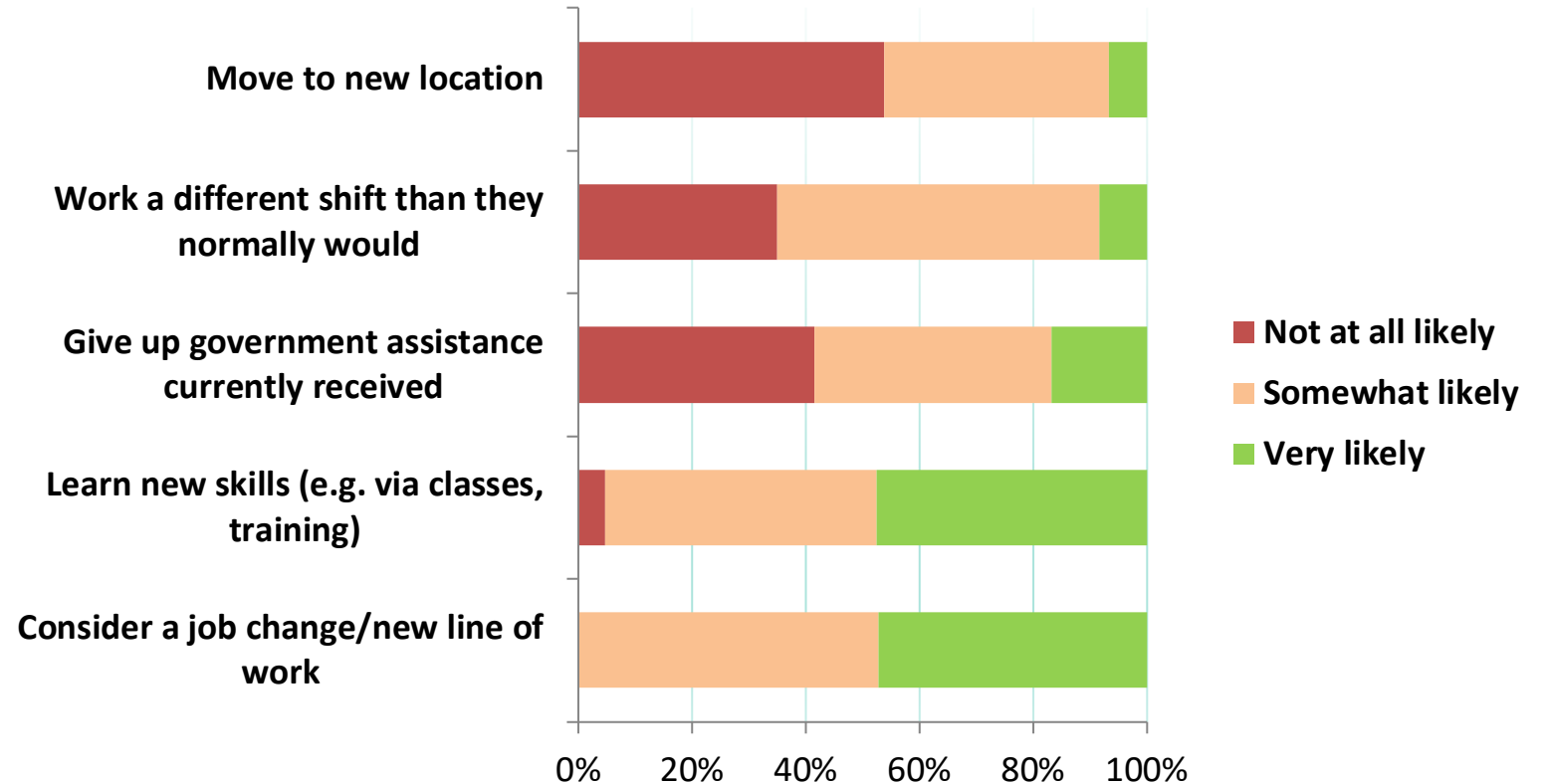
Job seekers unlikely to relocate, and a notable share unwilling to upend personal/household schedule or give up govt. assistance

Most *are* interested in training and/or a new line of work

Finding a preferred job likely involves multiple professional and personal dimensions

On average, which of the following actions would your clients take to get their preferred job?

Non-null responses only



## SOME FINAL THOUGHTS

- Survey results not a big “surprise”; we know people/job seekers face difficulties
- Hoping to bring more attention and focus to these issues, and organize a framework for better problem-solving
- In general, we need to better understand the worker *outside of the workplace* to better understand factors that can facilitate or impede a person’s ability to engage in work



# OK, BUT WHY? AND WHY NOW?

- Obstacles to work have *always* been present
- Important *now* because of a long-term labor shift
- In the past: Labor surplus meant employers could be choosy – *should be choosy* – to find best employees
- Present: Labor tightness means **workers have leverage**, and we have to treat obstacles that many face from a problem-solving POV *if we want more people to work*
- Problem-solving will benefit job seekers, businesses and the economy overall
- The good news: It's clearly already happening
  - Higher wages, more schedule flexibility
  - Can we accelerate process for everyone's benefit?
  - Hoping these efforts will help the transition





## *More from the Minneapolis Fed*

# Upcoming webinars

- **Friday, May 6, 9am: Construction sector update/outlook**
- **Thursday, May 12, 9am: Worker Experience**
  - Survey of workers through statewide Community Action Partnership offices (Erick Garcia Luna)
- **Thursday, May 19, 12pm: Health of child care sector**





# Now, onto the real pros: Q&A with ...

**Tammy Biery**, Executive Director, Career Solutions

**Sahur Hussein**, Career Planner, Career Solutions

**Jinny Rietmann**, Executive Director, Workforce Development, Inc.





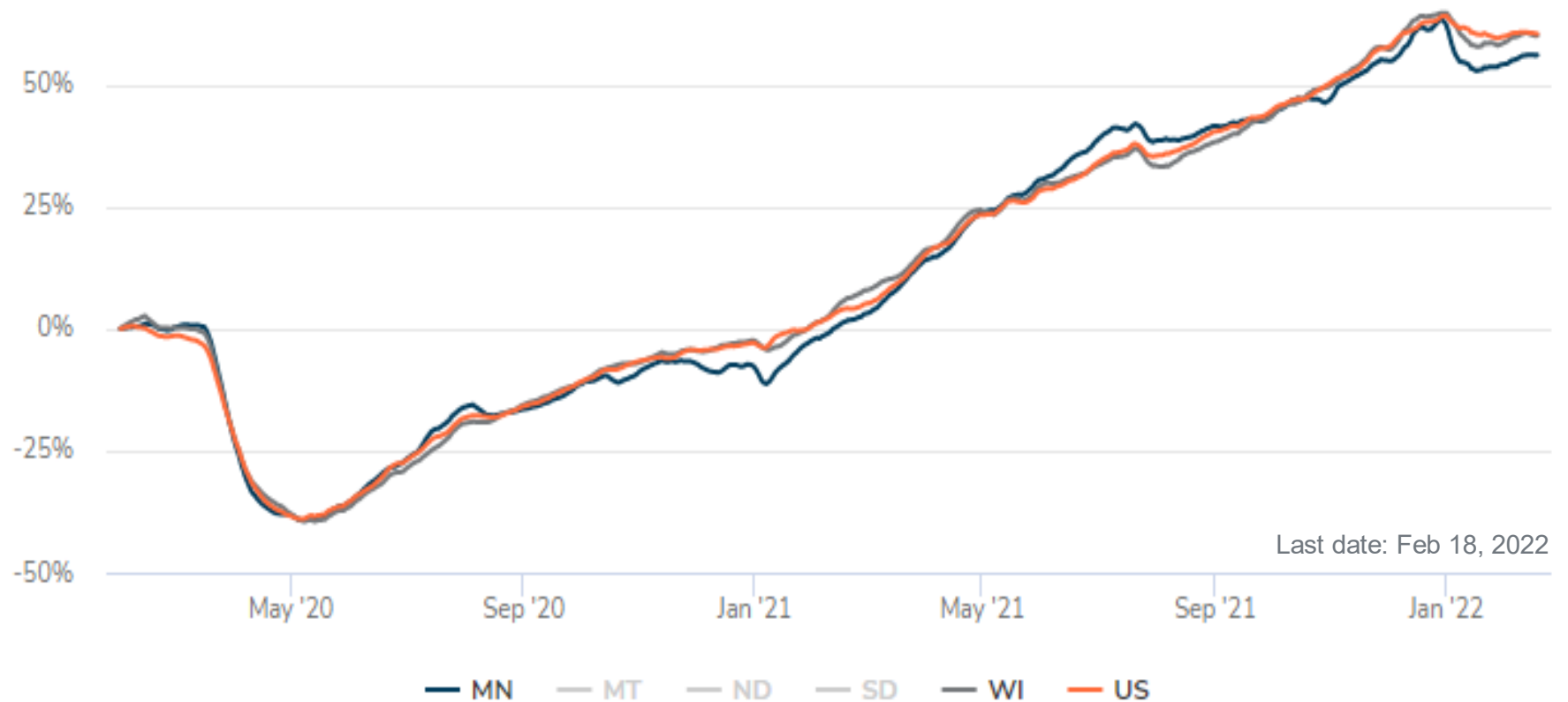
# EXTRA DATA

# HIRING DEMAND: VERY STRONG

Job postings have recovered, and then some; now well above pre-pandemic levels

## Change in online job postings

Relative to Feb 1st, 2020, 7-day moving average SA



Last date: Feb 18, 2022

Source: Indeed

# LABOR FORCE PARTICIPATION

LFP rates in decline for two decades

Appeared to have bottomed ... and then pandemic hit

Little evidence of LFP returning to pre-pandemic levels soon

