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To Overcome Talent Shortages, Many Companies Are Creating Their Own Recruitment Pipelines

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America's talent shortage has reached unprecedented levels.

Exacerbated by the Covid-19 pandemic and an aging population, the scarcity of skilled workers has employers feeling the crunch. In November, job openings in the United States exceeded 10.5 million, compared to 3.8 million a decade ago. Nearly half of respondents to an October survey by the National Association of Business Economics reported a shortage of skilled workers in the third quarter.

The problem is especially acute in manufacturing, which Deloitte anticipates will have 2.1 million unfilled jobs in the U.S. by 2030.

To stay competitive, leading companies are getting off the sidelines and taking a more proactive approach to developing their workforces. Some are partnering with community colleges and local workforce specialists to design and create their own specialized training pathways, complete with customized training modules and facilities.

Robots and Boot Camp

When electric vehicle (EV) manufacturer Lucid Motors broke ground on its AMP-1 factory in Pinal County, Arizona, in December 2019, the company faced a daunting challenge—training and hiring the more than 2,000 workers the luxury car maker needed to build EVs.

The company put forward an ambitious timeline to deliver the first vehicles, leaving little room for hiring delays.

To bring on workers quickly, Lucid partnered with the City of Casa Grande and county leaders, Central Arizona College, and the Arizona Commerce Authority to construct and outfit a state-of-the-art training center. The facility, known as Drive48, features cutting-edge robots and multiple hands-on learning rooms where company mentors train new employees in automotive assembly.

By September 2021, more than 700 workers had completed the program, representing 100% of the factory's hourly workforce. Lucid commissioned its assembly plant that month and announced a 2.85 million-square-foot expansion to support a second line of vehicles starting in 2023.

Lucid's model is one Arizona now wants to expand. In January 2022, Gov. Doug Ducey proposed building six advanced-training manufacturing centers across the state. In collaboration with private industry, the centers would offer customized, hands-on training in advanced manufacturing fields such as semiconductors, batteries, and EVs.

Similarly, in 2019, when Boeing needed to hire hundreds of technicians skilled in electrical wiring, the aviation giant turned to Mesa Community College. Prioritizing speed and flexibility, the teams eschewed traditional degree pathways and instead created a multi-week boot camp, with grant funding from the Arizona Commerce Authority supporting curriculum development and marketing efforts. Students who complete the program earn an industry-recognized certification and the opportunity to interview with Boeing.

More than 350 students have graduated from the boot camp. More than 200 have taken positions at Boeing, and many others are finding employment in the aviation sector.

The boot-camp model has attracted learners from all backgrounds. Women comprise 25% of graduates, and minorities comprise 40%. "The job at Boeing means a lot to me and my family," said Jocelyn Johnson, one boot-camp graduate.

Partnership Power

In today's uncertain climate, if your organization is staring down formidable hiring targets, you are not alone. Local workforce partners, which offer years of experience and established on-the-ground knowledge, can be your key to unlocking pools of ready talent—often at no cost to you.

This has been the experience of Idaho-based battery developer KORE Power, which in July 2021 selected Buckeye, Arizona, as the site for its 1 million-square-foot lithium-ion battery factory. The company anticipates hiring 3,000 advanced manufacturing workers over two phases.

To fast-track the process, KORE Power has partnered with workforce specialists at the Arizona Commerce Authority who have identified career and technical training opportunities through nearby Rio Salado College and two school districts, West-Mec and the Buckeye Union High School District.

The partnerships will be instrumental to meeting KORE Power's goal of beginning production by the spring of 2023.

The Value of Re-Skilling

When an organization assesses its talent needs, recent graduates often make up only part of the solution. More than 100 million workers globally will need to find different occupations by 2030, at least half of them with new, more advanced skills, according to McKinsey.

For these workers, traditional one-size-fits-all degree programs may not be the answer. But individualized upskilling initiatives may help employers fill that gap. Arizona's multitiered Return Stronger Upskilling program connects job seekers with local career counselors to help meet customized career goals—an effort that includes state government, local workforce specialists, and nearly 50 job centers.

These programs have proved especially effective at reaching unemployed or underemployed workers, discouraged and marginally attached workers, racial and ethnic minorities, and women for employment opportunities.

Workforce challenges among advanced industries are nothing new, but the pandemic has accelerated the urgency of these challenges. To meet workers where they are, companies are trying strategies they've never used before. For many organizations, that means abandoning their recruiting models and building their own from scratch—and organizations with an eye on the future are increasingly tapping Arizona's abundant resources to build them.

Learn how the Arizona Commerce Authority can help your organization build its future workforce.