



**AMERICAN BAKERS
ASSOCIATION**



2022 workforce gap in U.S. commercial baking: challenges & best practices



CYPRESS RESEARCH

purpose & participation

respondent description

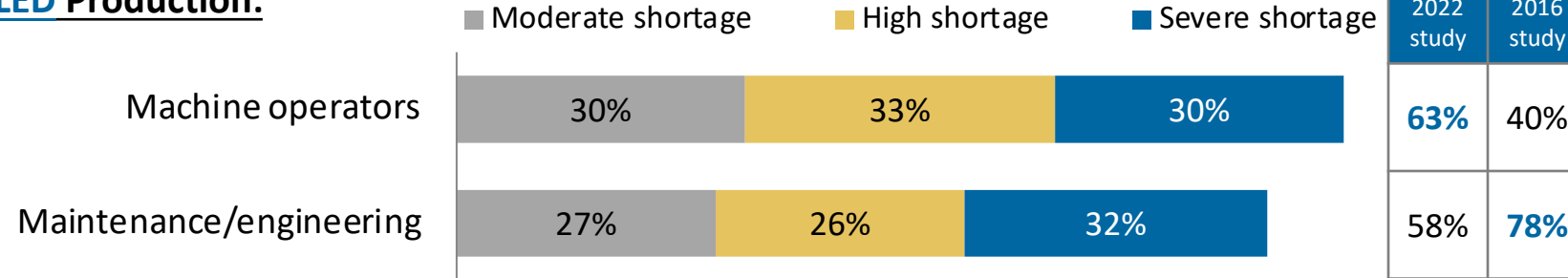
	# of individual respondents	# of companies
Survey 1: Recruitment (conducted October 2021)	89 respondents from	70 companies
Survey 2: Retention & Training (conducted February 2022)	68 respondents from	59 companies



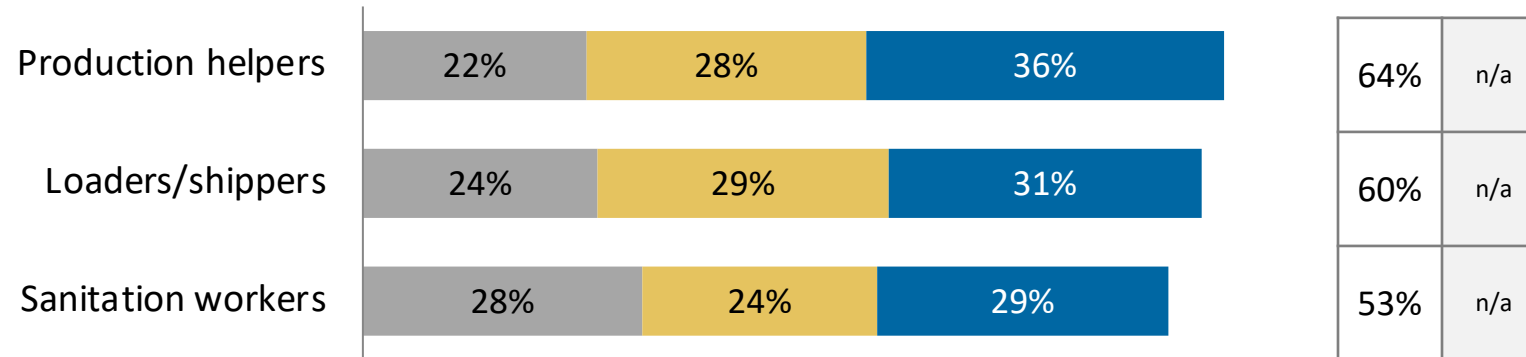
extent of skills shortage: 2022 vs. 2016

What is the extent of your company's recurring skills shortage among these hourly employee segments TODAY?

SKILLED Production:



UNSKILLED Production:



Transportation:



Note: Based on a 5-Point Scale where 1='No Shortage' and 5='Severe Shortage'; respondents provided w/ 'Don't Know' response option.

*not including independent contractors; unskilled production and transportation added to 2021 study



5-year recruitment challenges: top 5

top 5 recruitment-related challenges over next 5 years: up to two-thirds project challenges ‘significant’

SUMMARY: Top 5 Recruitment Challenges (out of 10)	% ‘moderate’ or ‘significant’ challenge	
	Hourly UNSKILLED production	Hourly SKILLED Production
Finding & Developing Talent: Difficulties identifying talent pools for these positions	96% (47% ‘significant’)	97% (61% ‘significant’)
Branding: Making bakery manufacturing appealing to qualified candidates	95% (60% ‘significant’)	92% (67% ‘significant’)
Salary/Benefits: Candidates don’t appreciate the value of company benefits - primary focus is on cash compensation	88% (51% ‘significant’)	88% (51% ‘significant’)
Branding: Lack of awareness of career opportunities in bakery manufacturing	89% (43% ‘significant’)	88% (46% ‘significant’)
Finding & Developing Talent: Candidates do not have the skills we need	80% (47% ‘significant’)	88% (48% ‘significant’)

Up from 89% in 2016 (skilled)

Q.: Over the next 5 years, to what extent will the following RECRUITMENT-RELATED CHALLENGES contribute to the skills shortage at your company for hourly, (un)skilled production positions?

Note: Based on a 3-point scale where 1=‘Not a Challenge’, 2=‘Moderate Challenge’ and 3=‘Significant Challenge’; respondents provided ‘Don’t Know’ response option.

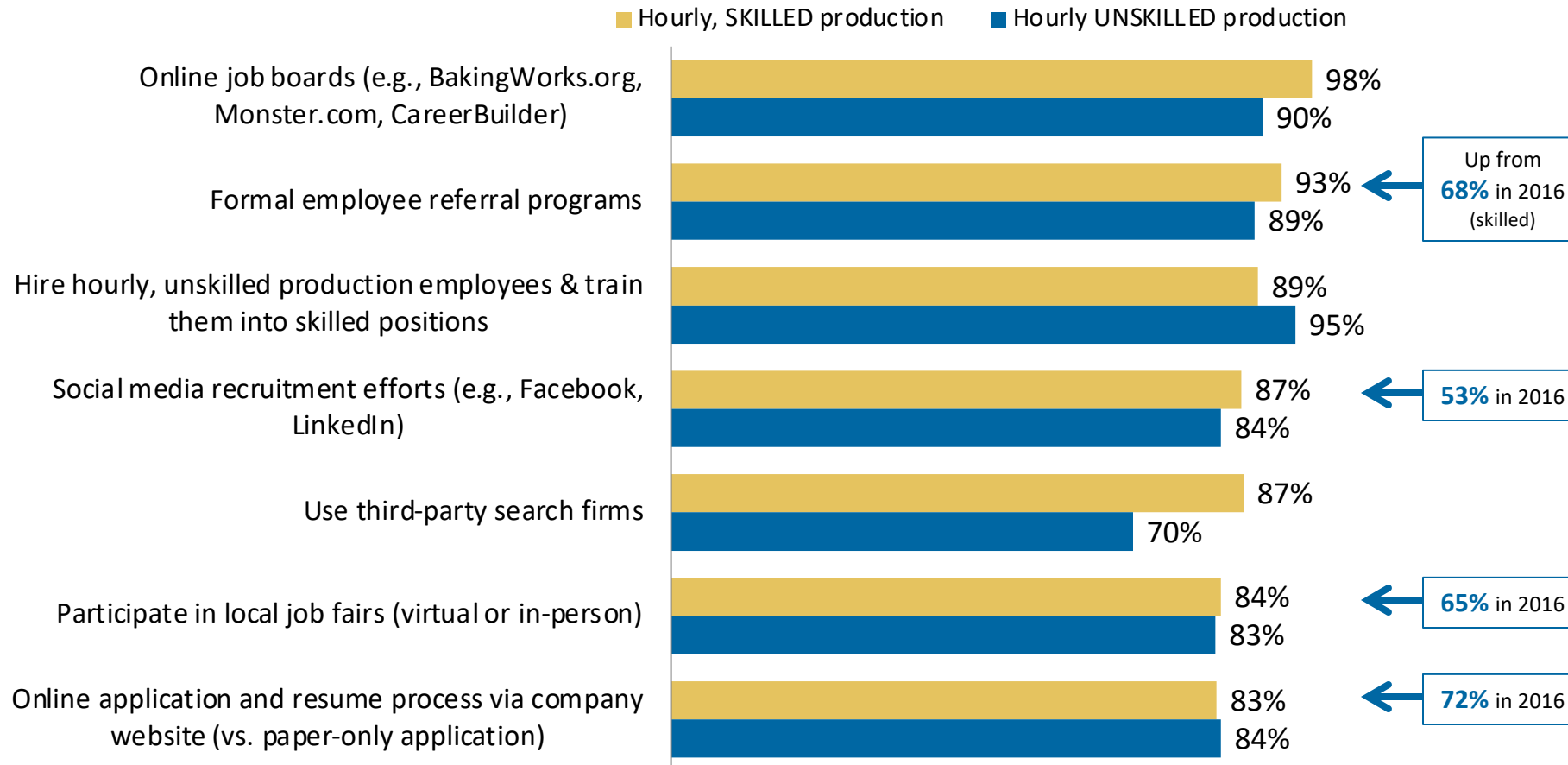


current recruitment best practices

current recruitment best practices

Finding Talent: Top Strategies

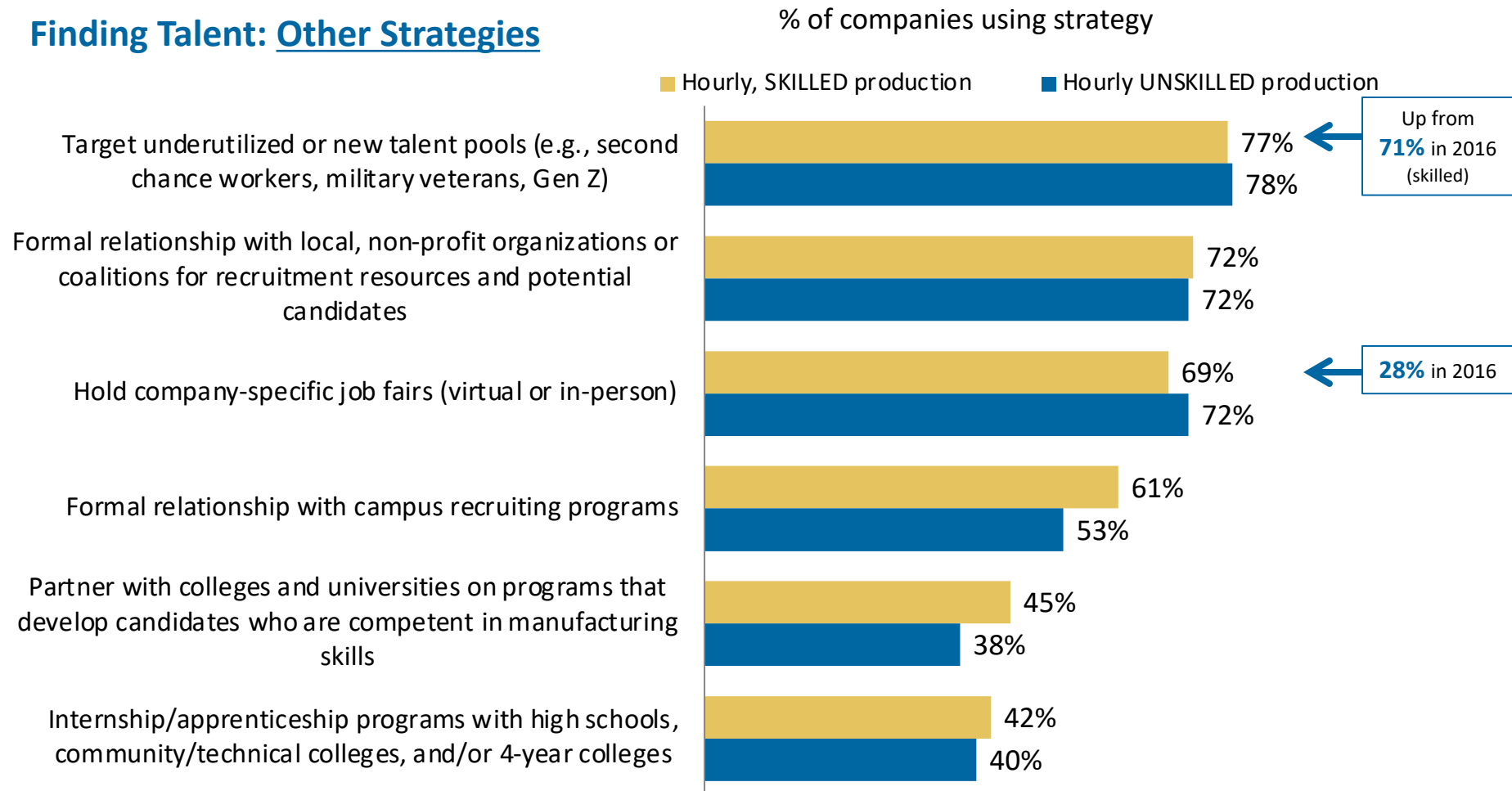
% of companies using strategy



Q.: Which of the following RECRUITMENT-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, (un)skilled production positions? Respondents provided response option of 'Don't Know'. [top 7 of 13]

current recruitment best practices

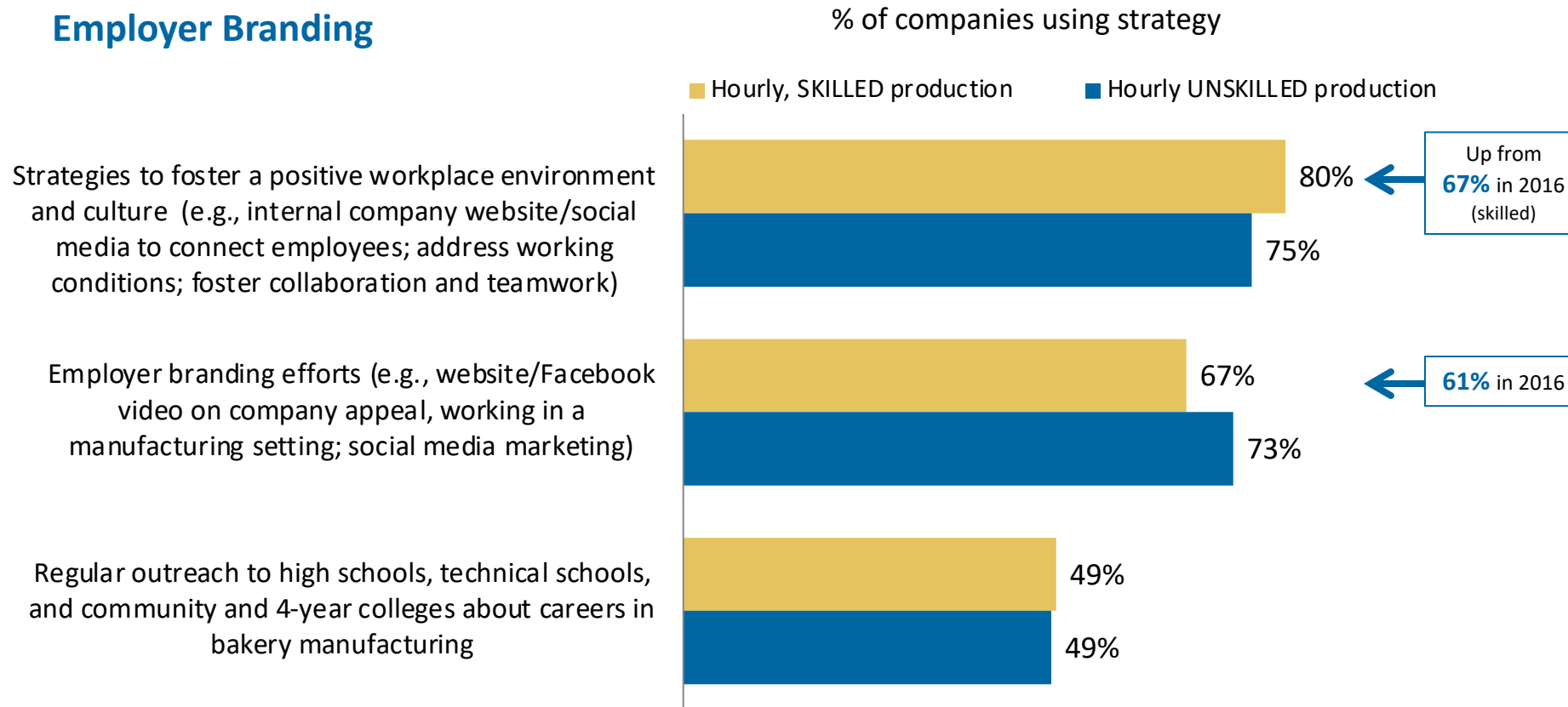
Finding Talent: Other Strategies



Q.: Which of the following RECRUITMENT-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, (un)skilled production positions? Respondents provided response option of 'Don't Know'. [remaining 6 of 13]

current recruitment best practices

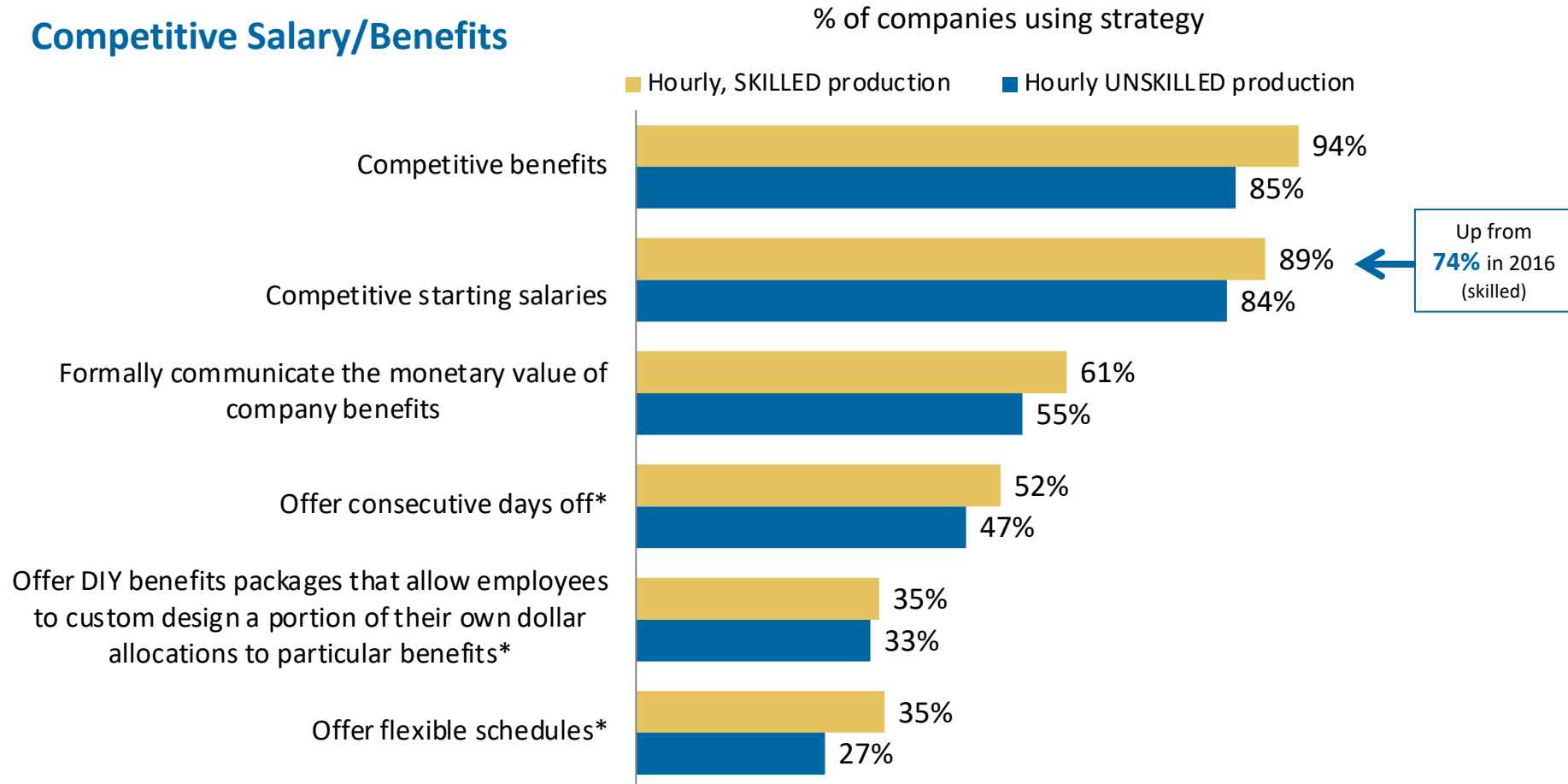
Employer Branding



Q.: Which of the following RECRUITMENT-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, (un)skilled production positions? Respondents provided response option of 'Don't Know'.

current recruitment best practices

Competitive Salary/Benefits



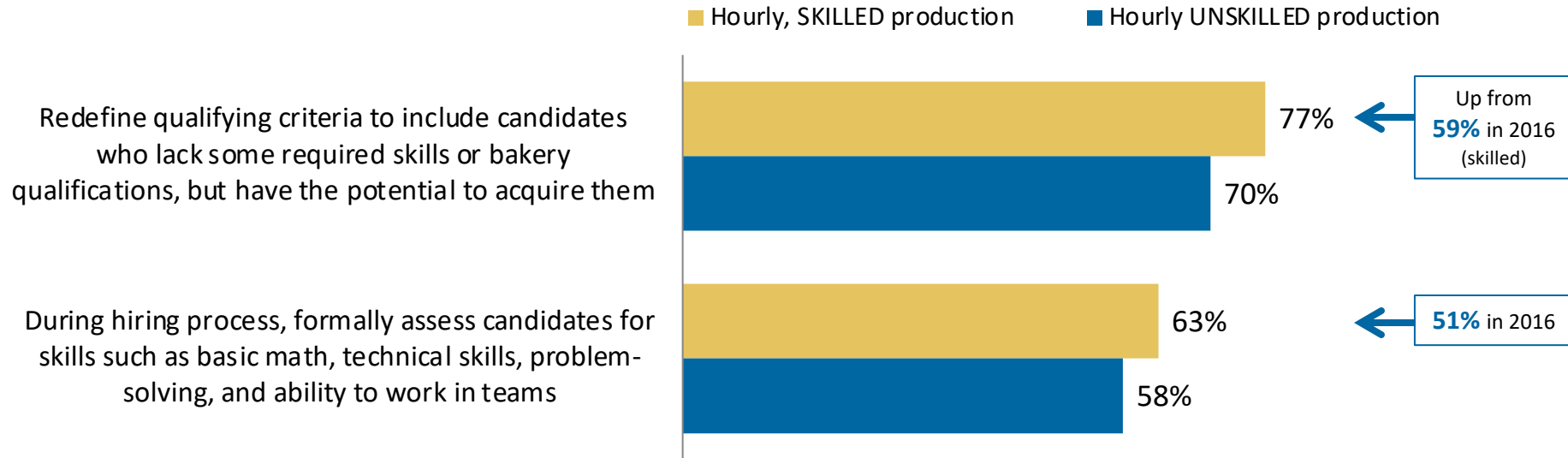
*New items in 2022

Q.: Which of the following RECRUITMENT-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, (un)skilled production positions? Respondents provided response option of 'Don't Know'.

current recruitment best practices

Qualifications/job requirements

% of companies using strategy

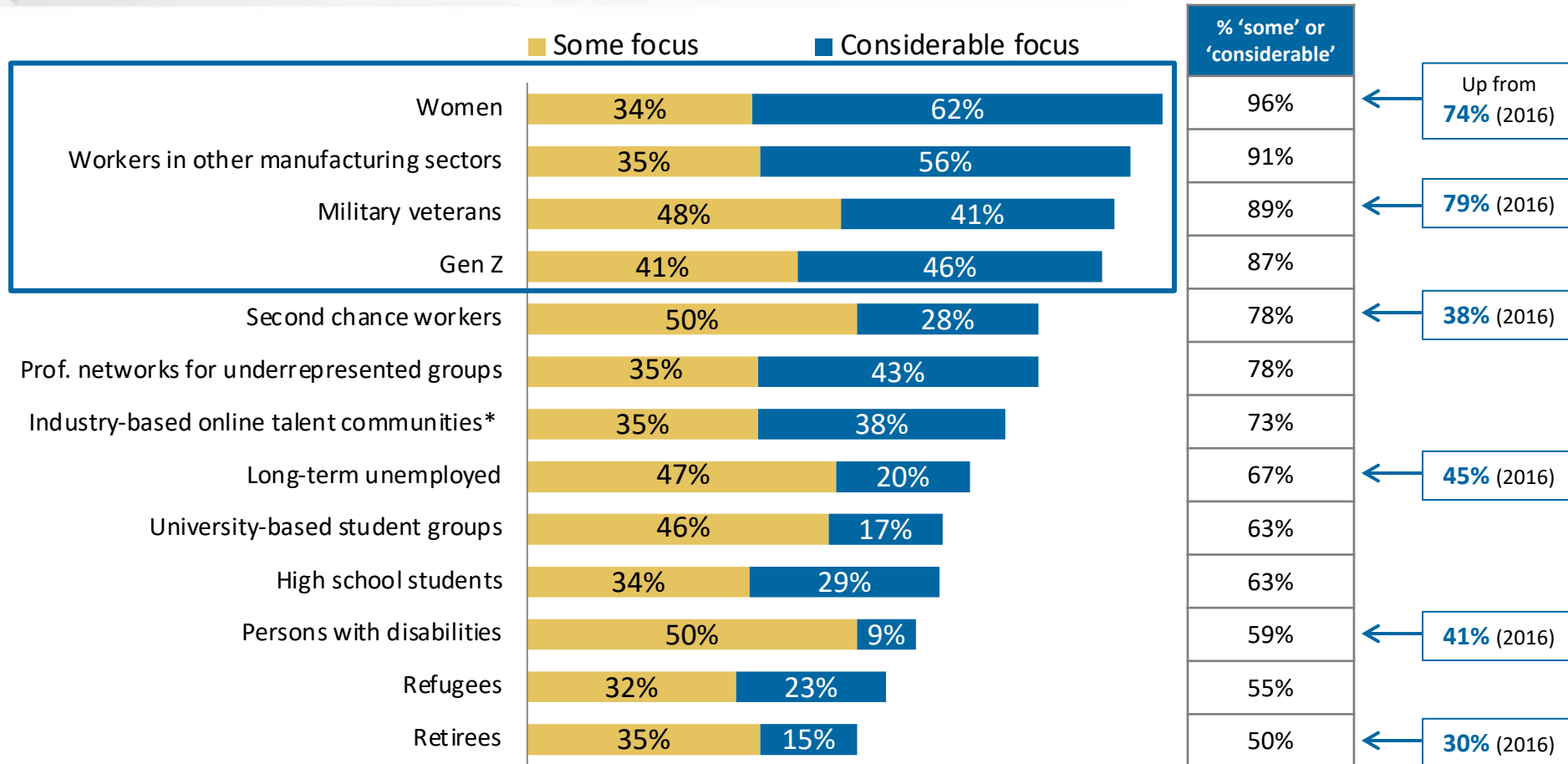


Q.: Which of the following RECRUITMENT-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, (un)skilled production positions? Respondents provided response option of 'Don't Know'.



current recruitment target segments & relationships with organizations

current recruitment target segments of focus



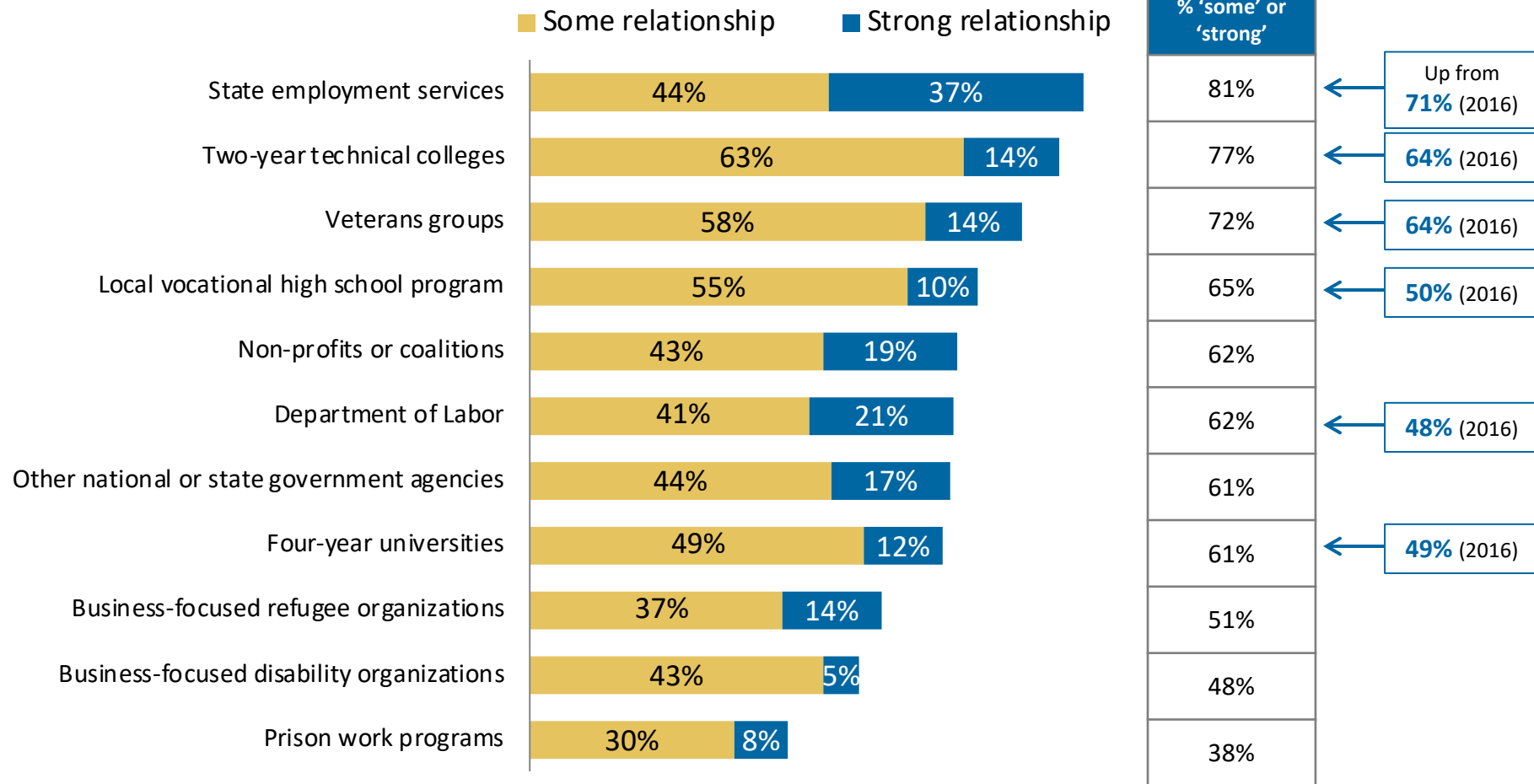
*Industry-based online talent communities=created for targeted individuals to engage with company representatives and other job seekers to develop a sustainable talent pipeline, e.g., company-specific talent communities and/or monitoring existing talent communities like LinkedIn Groups, Glassdoor

Q.: To what extent does your company CURRENTLY focus recruitment efforts on the following diverse recruitment segments?

Note: Based on a 3-point scale where 1='Not a Focus', 2='Some Focus' and 3='Considerable Focus'; respondents provided 'Don't Know' response option. [13 segments]

current organizational recruitment relationships

Hourly SKILLED production employees



Q.: What is your company's CURRENT relationship with educational, non-profit and government bodies to develop/acquire hourly SKILLED production employees?
 Note: Based on a 3-point scale where 1='Not a Focus', 2='Some relationship' and 3='Strong Relationship'; respondents provided 'Don't Know' response option.



5-year retention challenges: top 6

top retention-related challenges over next 5 years: challenges are increasing in severity since 2016

SUMMARY: Top 6 Retention Challenges (out of 10)	% 'moderate' or 'significant' challenge		2016 study (skilled only):
	Hourly UNSKILLED Production	Hourly SKILLED production	
Difficult working hours/shifts	94% (42% 'significant')	91% (53% 'significant')	
First-year retention issues	92% (55% 'significant')	91% (48% 'significant')	↑ from 80% in 2016
Understaffing the production floor (contributes to burnout/loss)	91% (52% 'significant')	91% (42% 'significant')	↑ from 84%
Challenging manufacturing environment	88% (42% 'significant')	86% (39% 'significant')	↑ from 80%
Pandemic-related challenges (e.g., childcare, safety concerns)	82% (42% 'significant')	85% (44% 'significant')	
Compensation	77% (30% 'significant')	79% (27% 'significant')	↑ from 63%

Q.: Over the next 5 years, to what extent will the following RETENTION-RELATED CHALLENGES contribute to the skills shortage at your company for hourly, (un)skilled production positions?

Note: Based on a 3-point scale where 1='Not a Challenge', 2='Moderate Challenge' and 3='Significant Challenge'; respondents provided 'Don't Know' response option. [top 6 of 10]

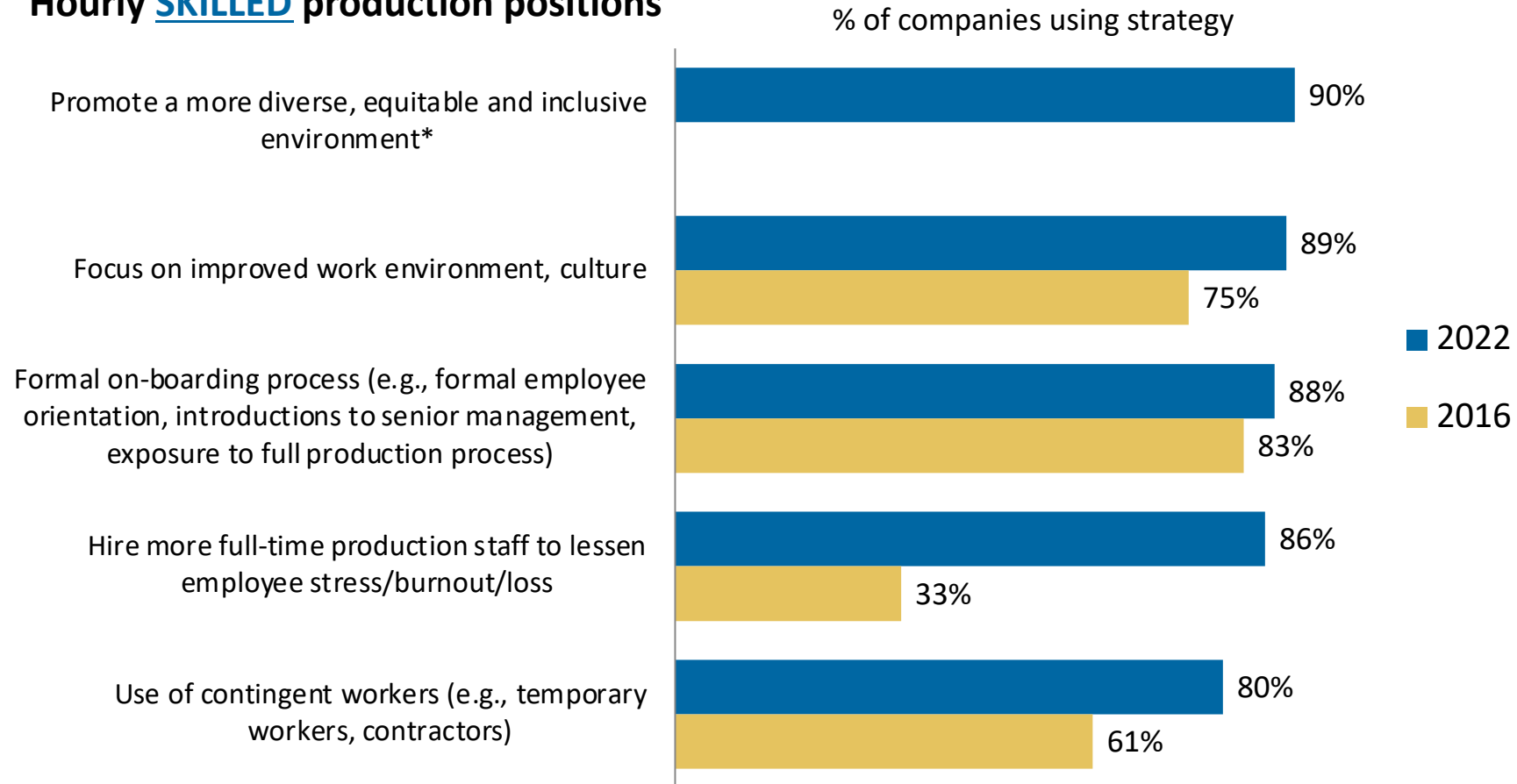


current retention best practices

retention best practices

Top Strategies:

Hourly SKILLED production positions



*New item in 2022

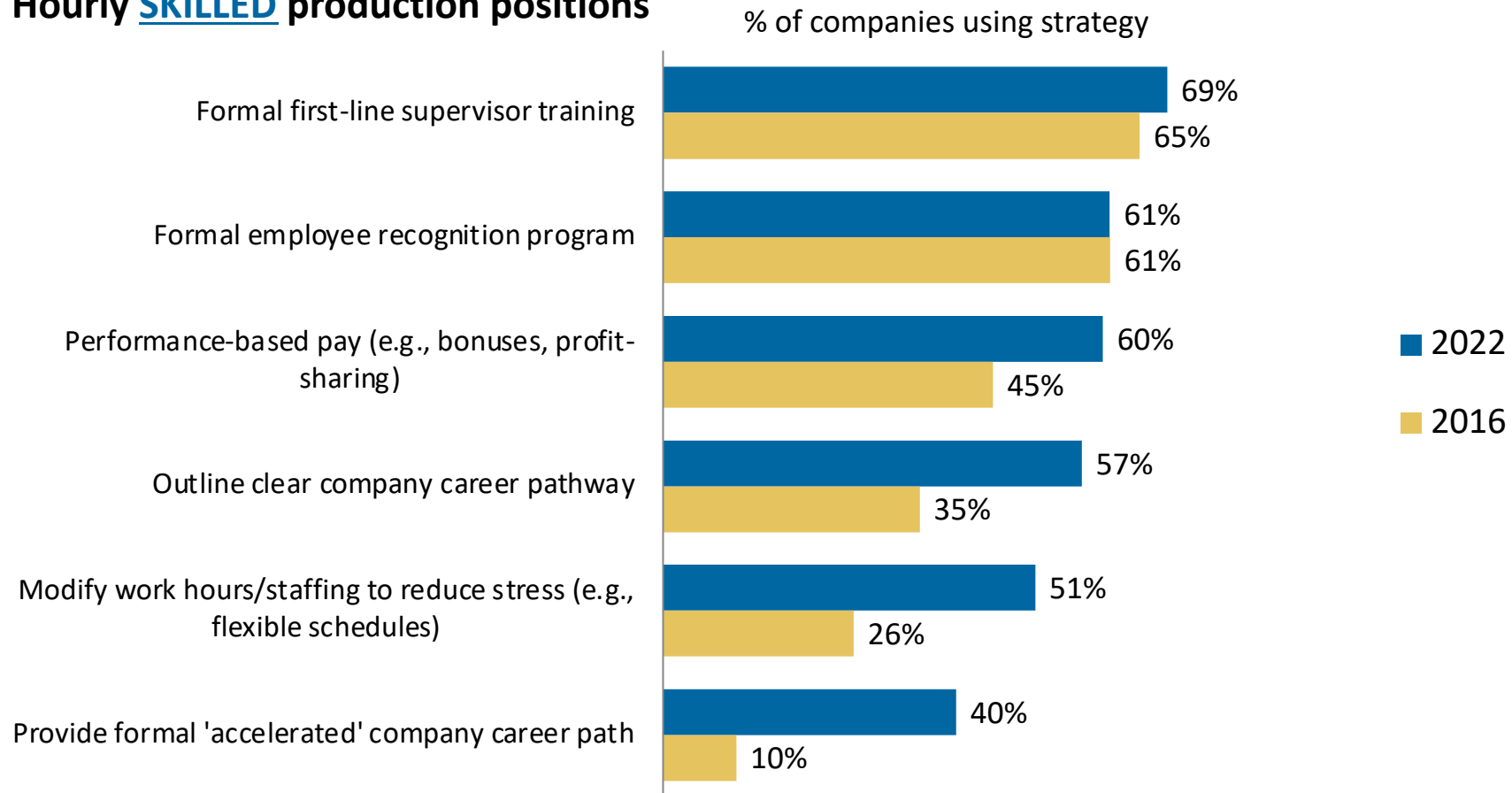
Q.: Which of the following RETENTION-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, skilled production positions?

Respondents provided response option of 'Don't Know'. [top 6 of 12]

retention best practices

Other Strategies:

Hourly SKILLED production positions



Q.: Which of the following RETENTION-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, skilled production positions? Respondents provided response option of 'Don't Know'. [remaining 6 of 12]



5-year training challenges: top 5

top training-related challenges over next 5 years: challenges are increasing in severity since 2016

SUMMARY: Top 5 Training Challenges (out of 10)	% of respondents		2016 study (skilled only):
	Hourly UNSKILLED Production	Hourly SKILLED production	
Managing trainings across shifts/schedules	70%	70%	↑ from 65% in 2016
Insufficient staff to develop training	59%	56%	↓ from 62%
Insufficient time to implement training	55%	56%	
Insufficient staff who know how to train	48%	49%	
Primary company focus on pressing business issues	30%	37%	↓ from 63%

Q.: What are the challenges to implementing formal skills/job training programs for hourly, (un)skilled production positions?



current training best practices

training best practices

Machine Operators:

Internal: On-the-job experience

Internal: Shadowing and observing others

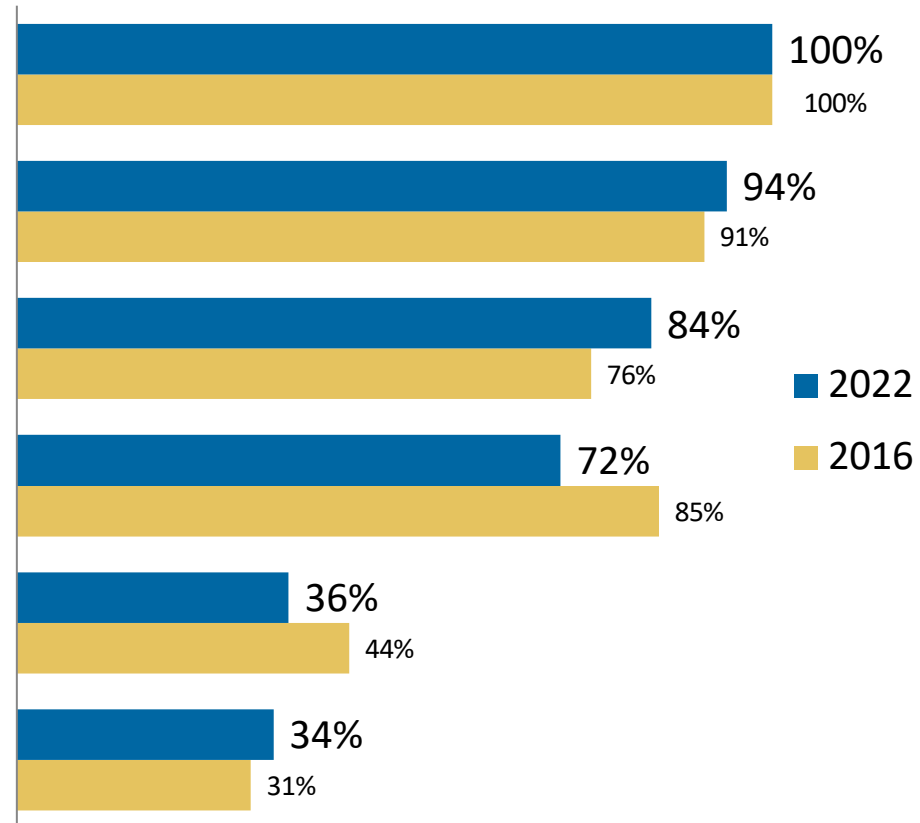
Internal: Formal skills/job training programs

Internal: Formal cross-training

Third-party: Training and certification programs focused on skills deficiency areas

Third-party: Partnership with education institutions on tailored training/certification

% of companies using strategy



Q.: Which of the following TRAINING-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, machine operators?

training best practices

Maintenance/Engineering:

Internal: On-the-job experience

Internal: Shadowing and observing others

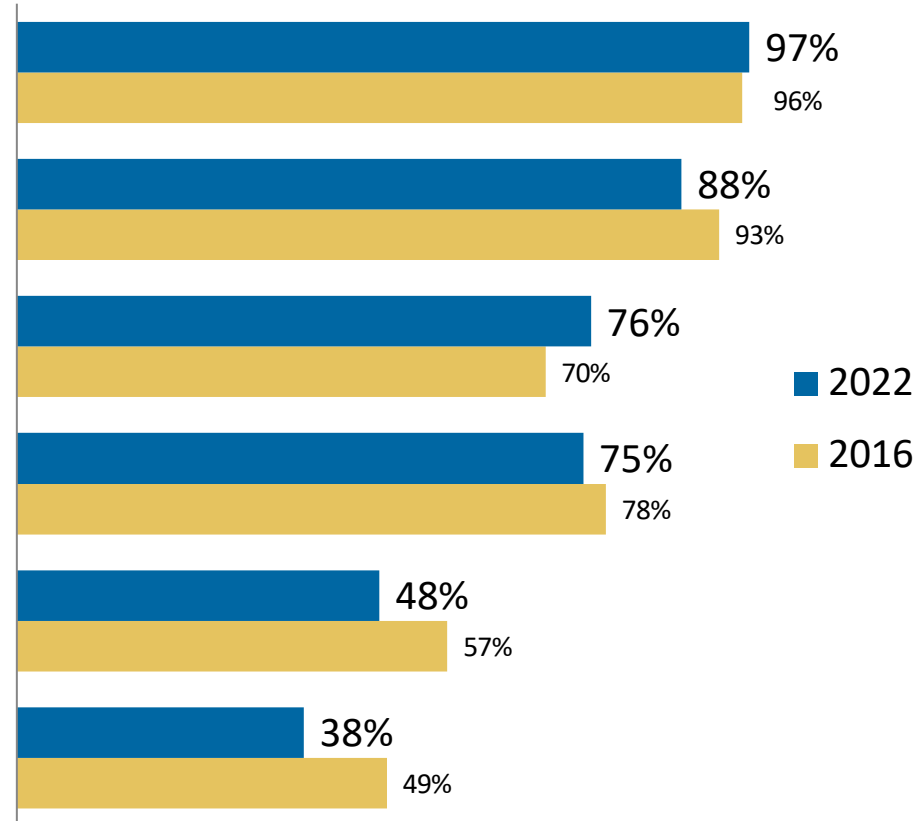
Internal: Formal skills/job training programs

Internal: Formal cross-training

Third-party: Training and certification programs focused on skills deficiency areas

Third-party: Partnership with education institutions on tailored training/certification

% of companies using strategy



Q.: Which of the following TRAINING-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, maintenance/engineering positions?

training best practices

Hourly UNSKILLED* production positions:

% of companies using strategy

Internal: On-the-job experience

96%

Internal: Shadowing and observing others

90%

Internal: Formal skills/job training programs

75%

Internal: Formal cross-training

64%

Third-party: Training and certification programs focused on skills deficiency areas

14%

Third-party: Partnership with education institutions on tailored training/certification

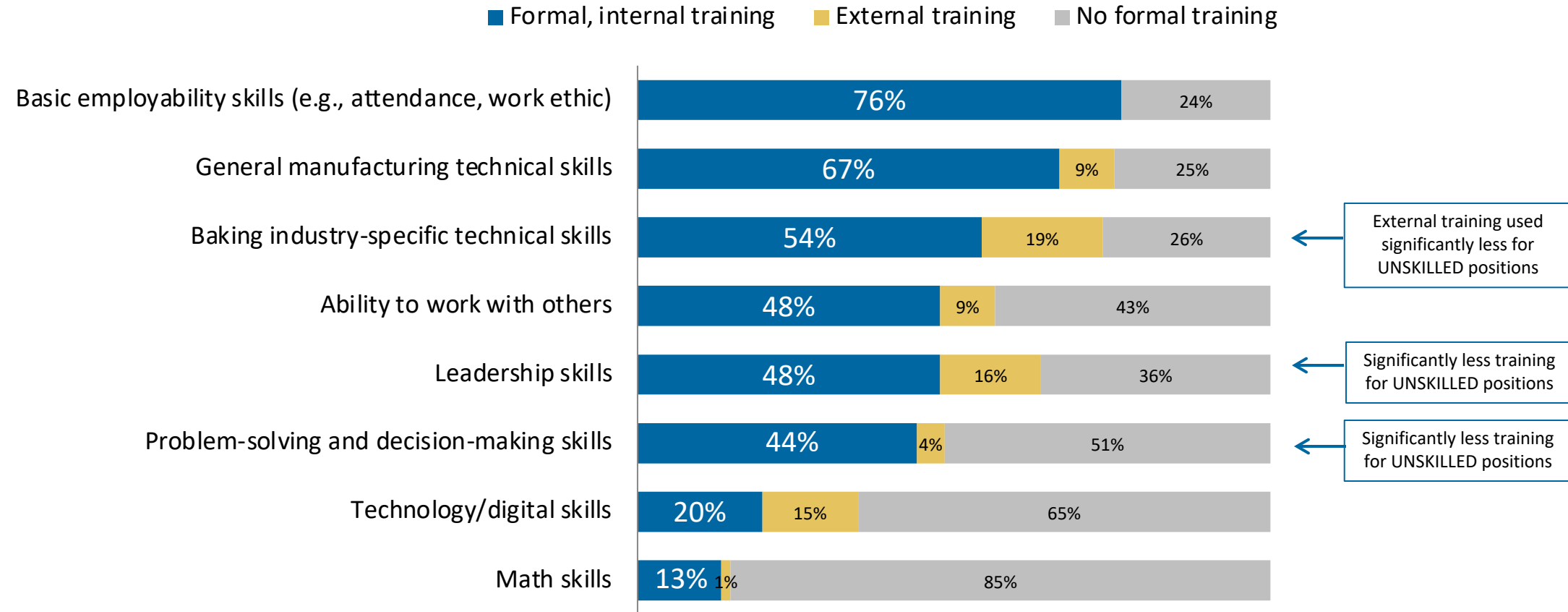
14%

*Hourly, Unskilled Production Positions: Not included in 2016 study

Q.: Which of the following TRAINING-RELATED STRATEGIES is your company currently using to address the skills shortage for hourly, unskilled production positions?

training best practices

Training areas of focus for hourly SKILLED production positions



New question in 2022

Q.: Please indicate whether your company currently provides formal, internal and/or external training to hourly, skilled production positions.

key takeaways

key takeaways: recruitment

Top 5 recruitment-related challenges over next 5 years:

Finding Talent

- Difficulties identifying talent pools for these positions
- Candidates do not have the skills we need

Branding

- Making bakery manufacturing appealing to qualified candidates
- Lack of awareness of career opportunities in bakery manufacturing

Salary/Benefits

- Candidates don't fully value non-monetary company benefits – primary focus is on cash compensation

key takeaways: recruitment

Top current recruitment best practices: (used by 80% or more of companies surveyed)

Finding Talent

- Online job boards (e.g., BakingWorks.org, Monster.com, CareerBuilder)
- Formal employee referral programs
- Hire hourly, unskilled production employees & train them into skilled positions
- Social media recruitment efforts* (e.g., Facebook, LinkedIn)
- Use third-party search firms
- Participate in local job fairs* (virtual or in-person)*
- Online application and resume process via company website (vs. paper-only application)*

Employer Branding

- Strategies to foster a positive workplace environment and culture (e.g., internal company website/social media to connect employees; address working conditions; foster collaboration and teamwork)

Salary/Benefits

- Competitive starting salaries* and competitive benefits

*increase statistically significant in use of recruitment strategy from 2016 baseline study

key takeaways: recruitment

Top opportunities to improve recruitment efforts: (used by fewer than 80% of companies surveyed)

Finding Talent

- Target underutilized or new talent pools (e.g., second chance workers, military veterans, Gen Z)*
- Develop formal relationships with organizations for recruitment resources and potential candidates:
 - Colleges and universities, including campus recruiting programs
 - High schools, community/technical colleges, and/or 4-year colleges (e.g., internship/apprenticeship programs)
 - Local, non-profit organizations
- Hold company-specific job fairs (virtual or in-person)*

Employer Branding

- External employer branding efforts* (e.g., website/Facebook video on company appeal, working in a manufacturing setting; social media marketing)
- Regular outreach to high schools, technical schools, and colleges about careers in bakery manufacturing

Salary/Benefits

- Offer consecutive days off and flexible schedules
- Offer DIY benefits packages that allow employees to custom-design a portion of their own dollar allocations to particular benefits they value

*increase statistically significant in use of recruitment strategy from 2016 baseline study

key takeaways: retention

Top 5 retention-related challenges over next 5 years:

- First-year retention issues
- Understaffing the production floor (contributes to burnout/loss)
- Challenging manufacturing environment
- Pandemic-related challenges (e.g., childcare, safety concerns)
- Compensation

key takeaways: retention

Top current retention best practices: (used by 80% or more of companies surveyed)

- Promote a more diverse, equitable and inclusive environment
- Focus on improved work environment, culture*
- Formal on-boarding process*
- Hire more full-time production staff to lessen employee stress/burnout/loss*
- Use of contingent workers*

Top opportunities to improve retention efforts: (used by 70% or fewer companies surveyed)

Work schedules

- Provide consecutive days off
- Modify working hours/staffing to reduce stress* (e.g., flexible schedules)

Formalized programs

- Employee recognition programs
- First-line supervisor training
- Performance-based pay

Career path

- Outline clear company career pathway*
- Provide formal 'accelerated' company career path*

*increase statistically significant in use of recruitment strategy from 2016 baseline study

key takeaways: training

Top 5 training-related challenges over next 5 years:

- Lack of commitment by senior leaders to prioritize employee training and development
- Challenges bringing stakeholders together to develop training program
- Insufficient financial resources
- Primary company focus on pressing business issues
- Insufficient staff who know how to train

key takeaways: training

Top current training best practices: (used by 76% or more of companies surveyed)

Internal training

- On-the job experience
- Shadowing & observing others
- Formal skills/job training programs

Top skills of focus: Basic employability skills, general manufacturing technical skills, baking industry-specific skills

Top opportunities to improve training efforts: (used by 75% or fewer companies surveyed)

Internal training

- Formal cross-training

Third party training

- Training and certification programs focused on skills deficiency areas
- Partnership with education institutions on tailored training/certification

Opportunities to focus on additional skills: Ability to work with others, leadership, problem-solving, technology/digital skills



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