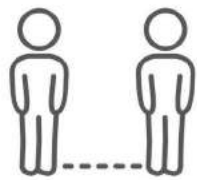
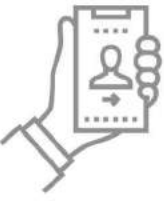
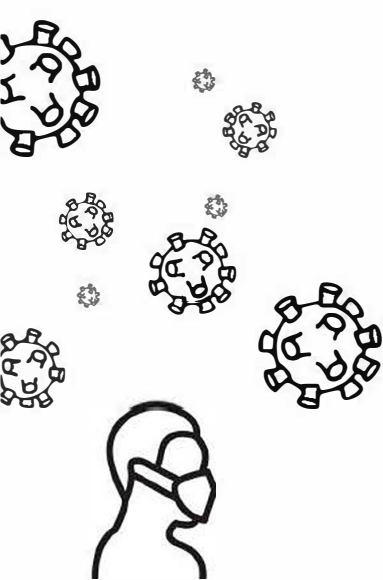


HIRING
in the
WAKE of
COVID-19





Though it was never something we thought we'd be able to put on our resumes, we've seen what a global pandemic can do first-hand. From heartbreaking losses of life to sudden and unalterable changes in our ways of life, COVID-19 and the ensuing global crisis will be what this decade is known for throughout the rest of human history. It's no wonder we're all looking for a way to get back to normal as soon as possible. But we have one thing to tell you.

There is no going back to normal.

That's because normal as we knew it does not exist anymore. In an analysis of unemployment claims in the wake of COVID, Heidi Shierholz, co-author and policy director at the Economic Policy Institute says "The labor market has been upended."¹ Though we'd all like the veil to lift at this very moment and for the world to begin to function again, the inescapable fact is that there is no going back to the way things were. So that begs an important question that we're all wondering.



**Where does that leave us,
and what does that mean for the future?**



We're here to help make that question a little easier in one specific avenue that's going to have a huge impact on the future of business in the United States: HIRING. We'll address three points about the way hiring is going to change in the next few months, and the impact those changes will have on the business sphere in the future.

1) You can't hire the same types of people for vacant roles that you did before the COVID crisis.

Before COVID, the world essentially ran on autopilot. Though social changes and developments in legislation alter corporate policy - occasionally even line-level function - few changes have ever caused the upheaval in daily life that COVID has.

Because of this, you'll need to hire people with both the qualifications to do the job itself, *and* with the flexibility to navigate the inevitable flood of frequent policy changes at the company, state, and federal levels. Conversely, those who thrive on a rigid structure & clear direction may struggle during this renaissance.

The employees you hire during the rebuilding stage will need the ability to adapt to various environments and leadership methods, and will need to be able assist in the creation of a new permanent infrastructure.

Easier said than done, we know. How does one interview for "flexible"? (Pro tip: don't ask someone how flexible they are during an interview.)

What does flexible even *mean*?

Flexibility, though hard to precisely define, is an element of one's cognitive function. The ability to jump fluidly between concepts, to connect incongruous and seemingly disparate thoughts & concepts, and to adapt to a variety of situations are all elements of a flexible personality. A person of this type will rarely find it difficult to understand someone else's point of view, and (regardless of the ferocity of their sentiments) can often be the voice of reason with whom they discourse.

Using scientific or methodological means to identify specific personality traits has long been a science. The American Psychological Association says, "The study of personality focuses on two broad areas: One is understanding individual differences in particular personality characteristics, such as sociability or irritability. The other is understanding how the various parts of a person come together as a whole."² Isolating and measuring specific elements of one's personality falls into the first category, and has always been a tricky business.

Pseudoscience is rife, and can be incredibly damaging to one's personal development if handled improperly. One of the most important elements of a reliable cognitive measurement is context, meaning that a tool must be updated regularly, and include as diverse a sample (group of individuals who provide data) as possible while still being able to categorize and contextualize the data.



Beware of falling victim to recognizable names or generic personality assessments. Many were developed without scientific credibility, lack sophistication of usability, or rely on data gathered 20-30 years ago. Credible tests will have accessible studies, a diverse and frequently updated sample set, and have been built using the expertise of psychologists and psychological professionals.

Contrary to popular belief, it WON'T be an 2) employer's market for many months in certain industries.

Whatever should, would, or could have been done to prepare for COVID, all we can do now is look at the facts. So, let's evaluate:

In an effort to assist high-earners during the shutdown, the federal government has buffered each unemployment claim by a whopping \$600 per week until the end of term for COVID claims, which for most people it's around July. This comes out to \$1200 per biweekly pay period, in addition to whatever their specific unemployment rate is.

WHEN WORKING

\$11.50/hr = \$800/paycheck*

\$11.50/hr = \$1600/month*

COVID EMPLOYMENT

Average \$11.50/hr over last 3 jobs

\$1400/payment* (biweekly)

\$2800/month*

* numbers are calculated based on take-home pay for a 40-hour paycheck after taxes have been deducted and are rounded to the nearest \$100

For example, someone who makes roughly \$11.50/hr after tax would be able to claim around \$400/period in unemployment benefits. This, coupled with the \$1200 federal stimulus would come to roughly \$1600 per pay period before tax. For earners whose salary is significantly more than \$2000/pay period (to whom this bonus was aimed), this number may be difficult to stretch. But for the throes of line-level workers who are accustomed to making around \$700 every two weeks (or even just working for tips!), the math isn't difficult. Return to work to make \$1500 per month, or ride out unemployment benefits and make \$1500 per *paycheck*. Because of this, finding qualified, high-potential applicants who are willing to make minimum wage will be difficult until COVID benefits cease.

So what does this mean for people who can't afford to pay people that much? Let's be honest, that's the majority of us. A few things will have to happen. Firstly, you'll have to figure out a number below your maximum while still appealing to a new class of line-level workers. In Texas (where Talexes HQ resides), the minimum wage is \$7.25/hr. At a company with 3 employees being paid bi-weekly at \$7.25/hr, a raise to \$10/hr equates to about \$1300/month. We realize this may seem petty to some employers. But for small businesses only just able to weather the economic strife of the quarantine, this may be the straw that breaks the camel's back. Do you reduce staff and try to manage? Do you wait it out to see whether people will apply later? Do you hire the people willing to work now?

The short answer is, yes. We realize this is confusing, allow us to explain.

Every company is different (stick with us), and is run by a different set of parameters, managers, legislation, even geography. Some companies can afford to reduce staff. Perhaps they already have in the wake of the COVID lockdown, and have realized that they are able to run on a reduced staff, perhaps even better. Some companies can, similarly, afford to run on said reduced staff at length, and can wait to see how COVID affects the wage expectations of line-level workers. If your business is like most, however,

you'll need to hire quickly to get back on track ASAP once business resumes. This means hiring a group of people that are either genuinely motivated to return to work or are in some way ineligible for unemployment benefits. However, the wrong people tend to take advantage of the nature of employers driven by raw necessity. Similarly, it's only natural to stretch one's qualifications and characteristics in order to secure stability for one's family.

And we're back to a similar issue. How do we interview for the position's qualifications while being confident that the applicant possesses qualities for success in the position that cannot be trained or taught (i.e. high sociability for a receptionist position). Talexes, among other companies, has developed a line of personality assessments that are concise and based in psychological science, and – short of having a psychologist sit in on each interview – are the most effective way to ensure no time, effort, or resources are wasted attempting to train an employee without the personality half of the performance equation.

This may also be an ideal opportunity to evaluate your managers with a similar assessment to determine any potential areas for improvement, thus further bolstering the effectiveness of the hiring and training processes in creating capable, long-lasting team members.

3) People will be expecting more when they come back.

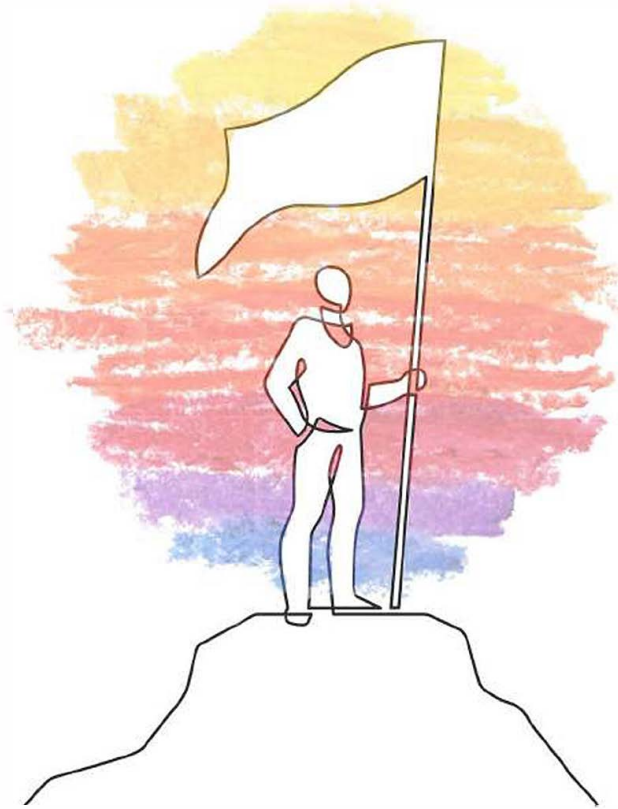
It's a tough nut to crack, but here we are cracking it. What happens when a significant portion of the population suddenly makes twice what they're accustomed to making? Well, the answer is simple. They'll ask for more when the job market is ready for them again. This wouldn't be an issue on a case-by-case basis. But when the unemployment rate is in the double digits and roughly 1 in 10 Americans is claiming unemployment benefits³, the atmosphere changes. Suddenly you're not dealing with a few outliers asking too much and can quickly shuffle their resumes to the bottom of the pile. Instead, now we may be dealing with a national rise in the expected salary for line-level workers.

Perhaps this could be a more natural impetus for a rise in minimum wages as younger generations have increasingly demanded. But whatever the case, it will require a serious reevaluation of the requirements for the role and a more serious approach to hiring all-around. No more will we be able to afford saying "we'll just keep them until we can find someone better." When the current cost of hiring someone new at minimum wage equates to over \$7,000⁴ (calculate the cost of losing someone at a higher pay rate here: Talexes.com/resources), imagine the cost of hiring a "c-player" at \$10, \$12, even \$15/hr.



In addition to those who will become accustomed to the quality of life afforded to them at this higher pay rate, there are those who will ask for more because they, themselves, have invested in themselves. Many people will take this opportunity to get certifications, licenses, even degrees that they would otherwise not have been in a position to obtain, be it because of time constraints or financial difficulties. In this case, applicants that may have applied to your organization with ample experience will now apply with new qualifications and ample experience, and leverage them for higher pay and better benefits (as they rightfully should). If your organization isn't willing to accommodate this demand, you may find yourself tempted to pass up on high-potential applicants because of a few dollars an hour. It's important to understand where your priorities lie, and what will have to be sacrificed for the sake of the short- and long-term success of the company.

So this is it. We're standing on the precipice of a new world, and a new normal. But let's learn from COVID-19 and the lives and livelihoods it has claimed. Let's not wait until the country is open again and the jobs are waiting to be filled to try to decide what to do about it. Let's prepare together, make a plan together, make it work together, and let's make a new world together.



Sources:

¹<https://www.epi.org/press/16-8-million-apply-for-unemployment-benefits-in-three-weeks-the-labor-market-has-been-upended/>

²<https://www.apa.org/topics/personality/>

³<https://www.politico.com/news/2020/04/09/coronavirus-unemployment-claims-numbers-176794>

⁴<https://tallexes.com/resources/calculators/cost-of-employee-turn-over/>