



**AMERICAN BAKERS
ASSOCIATION**



2021 Workforce Gap in U.S. Commercial Baking: Recruitment Trends & Best Practices



CYPRESS RESEARCH

Research Purpose

Cypress Research conducted a study on behalf of the American Bakers Association and the American Society of Baking to assess challenges and best practices in the area of workforce recruitment. Research focused on the following positions in the U.S. wholesale baking industry:

- Hourly, skilled production
- Hourly, unskilled production
- Transportation

An online survey was conducted in October 2021 with members of:

- American Bakers Association
- American Society of Baking

2016 data comparisons are sourced from ABA and ASB's *2016 Workforce Gap in U.S. Commercial Baking* study conducted by Cypress Research. The report and case studies can be found here - <https://americanbakers.org/industry-impact/workforce-impact>



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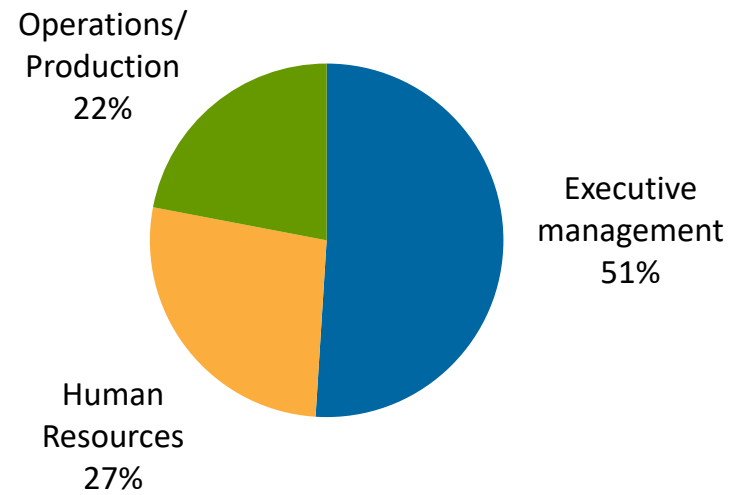
Respondent Description

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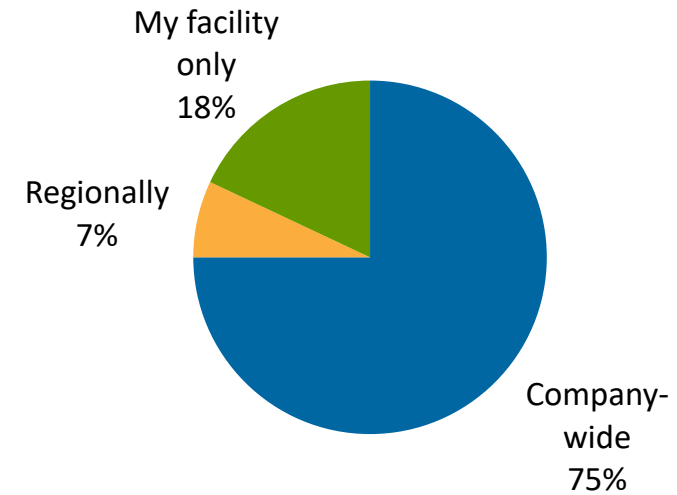
	# of individual respondents	# of companies
ABA members:	79 respondents from	60 companies
ASB members: <i>(additional)</i>	10 respondents from	10 companies
Total:	89 respondents from	70 companies

Respondent Description

Job role

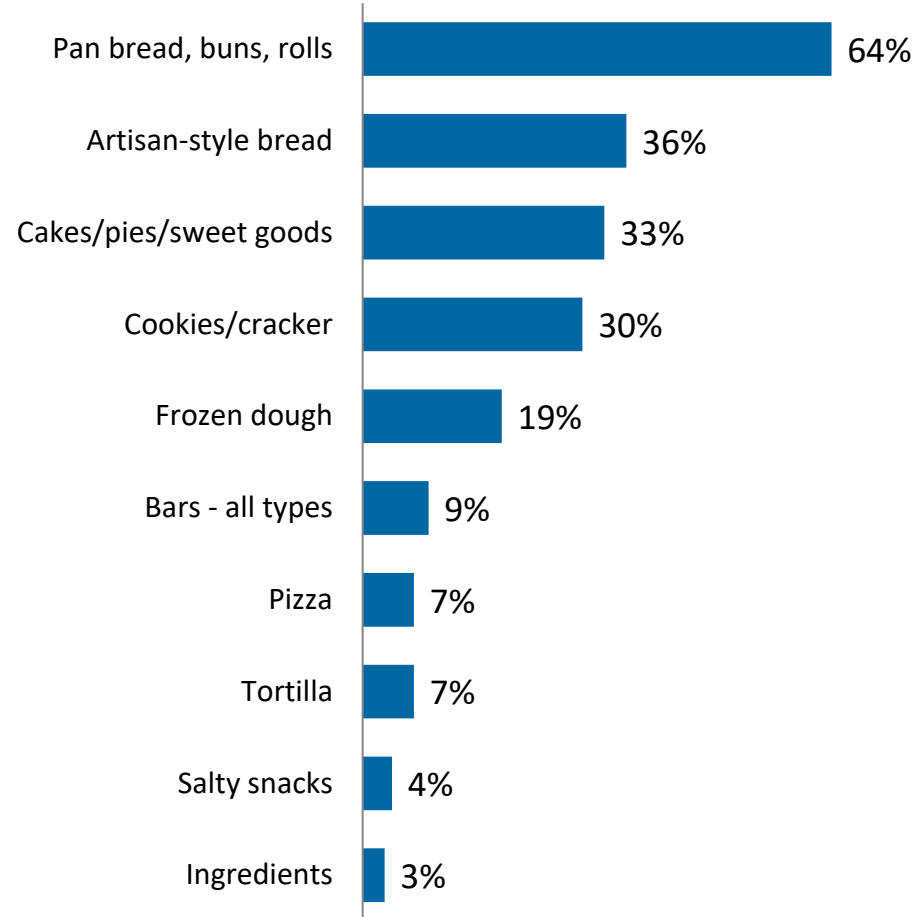


Organizational level for completing survey



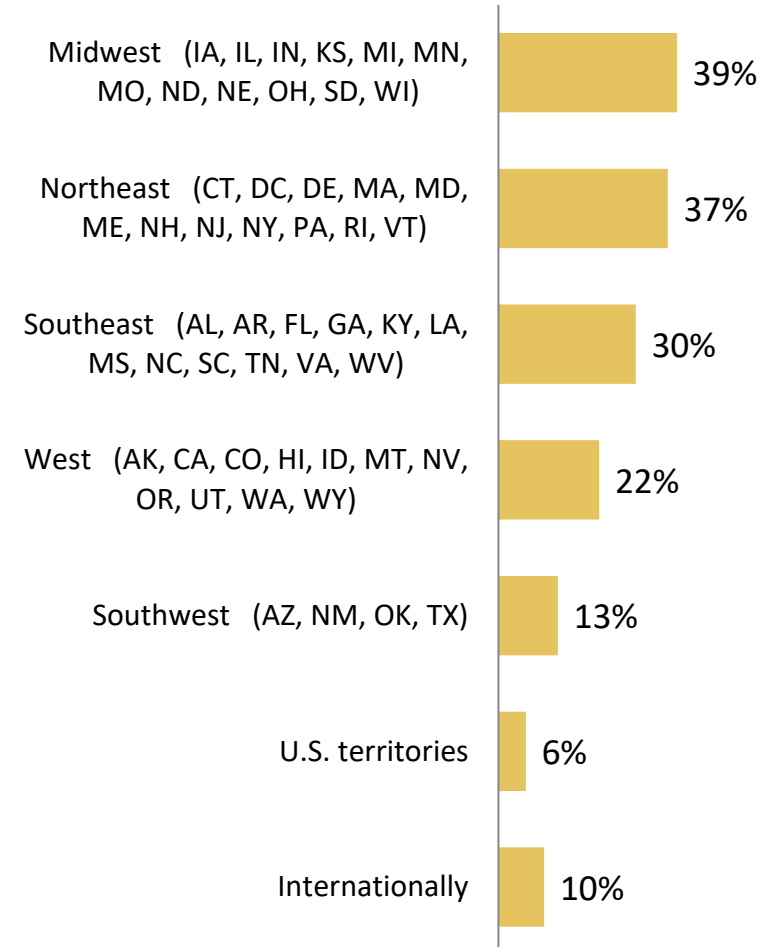
Respondent Description

Primary products



Note: Multiple responses accepted

Locations of manufacturing facilities





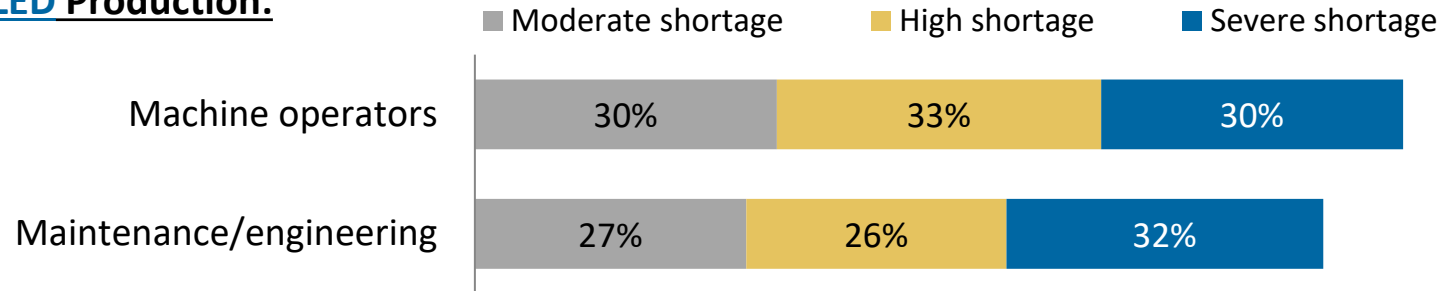
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Extent of Skills Shortage: 2021 vs. 2016

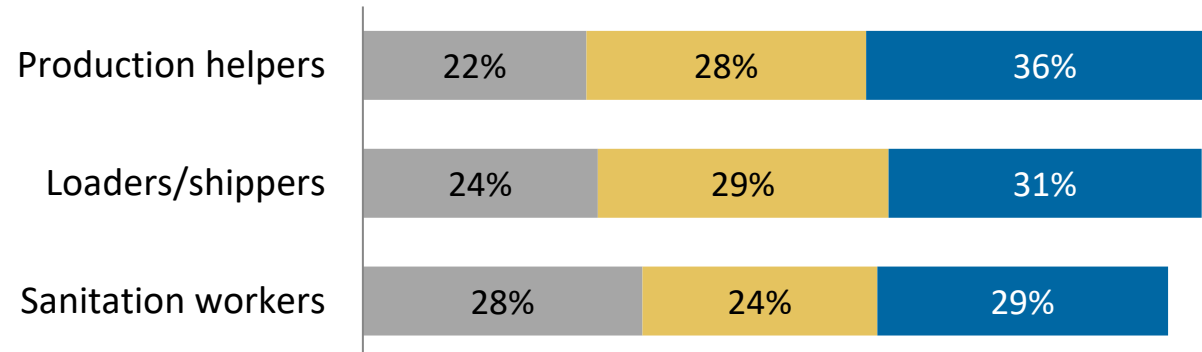
What is the extent of your company's recurring skills shortage among these hourly employee segments TODAY?

SKILLED Production:



% 'high' or 'severe'	
2021 study	2016 study
66%	40%
58%	78%

UNSKILLED Production:



64%	n/a
60%	n/a
53%	n/a

Transportation:



55%	n/a
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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



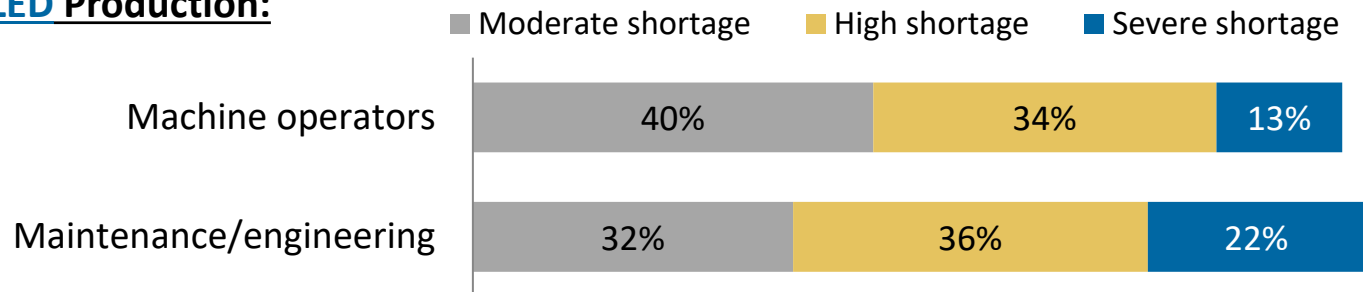
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Extent of Skills Shortage: 2027 (projected) vs. 2016

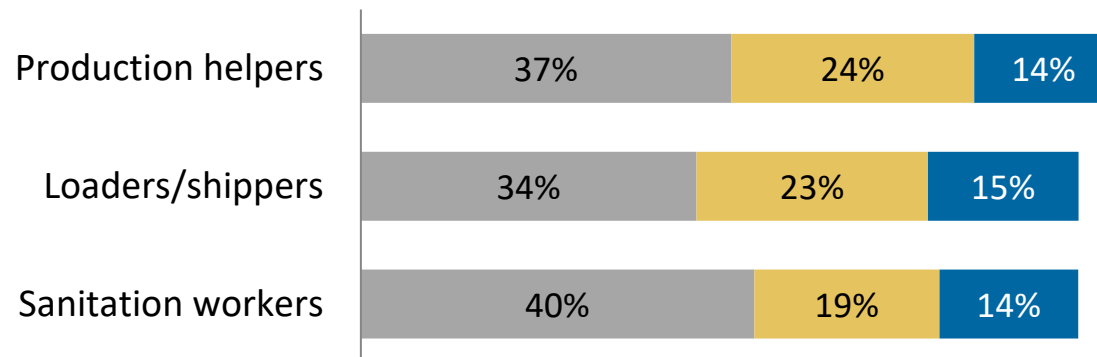
By 2027, what do you predict will be your company's recurring skills shortage among these hourly employee segments?

SKILLED Production:



% 'high' or 'severe'	
2027 (projected)	2021 (current)
47%	66%
58%	58%

UNSKILLED Production:



38%	64%
38%	60%
33%	53%

Transportation:



50%	55%
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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



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Recruitment Outlook: Top 5 Challenges

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 SKILLED Production	Hourly UNSKILLED production
Finding & Developing Talent: Difficulties identifying talent pools for these positions	97% (61% ‘significant’)	96% (47% ‘significant’)
Branding: Making bakery manufacturing appealing to qualified candidates	92% (67% ‘significant’)	95% (60% ‘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	88% (46% ‘significant’)	89% (43% ‘significant’)
Finding & Developing Talent: Candidates do not have the skills we need	88% (48% ‘significant’)	80% (47% ‘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.



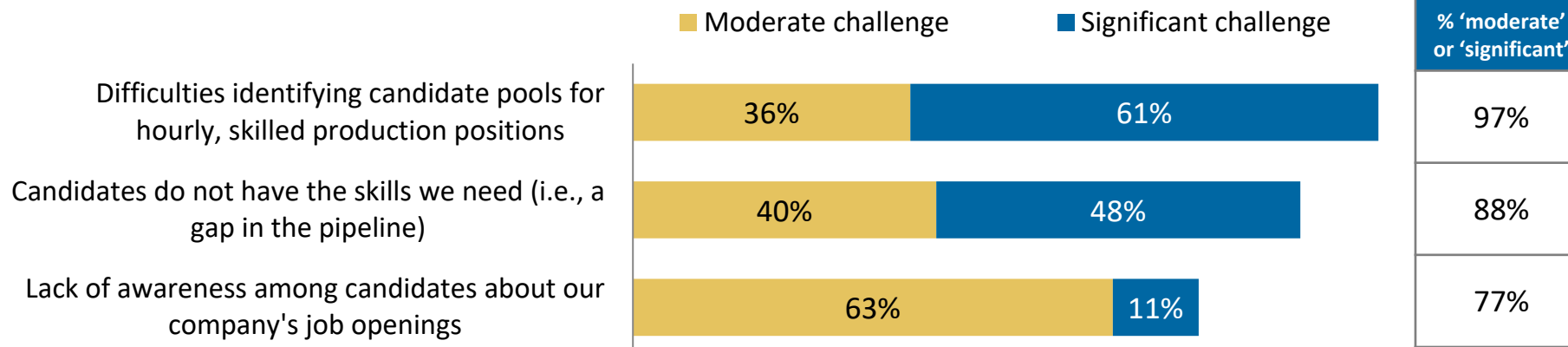
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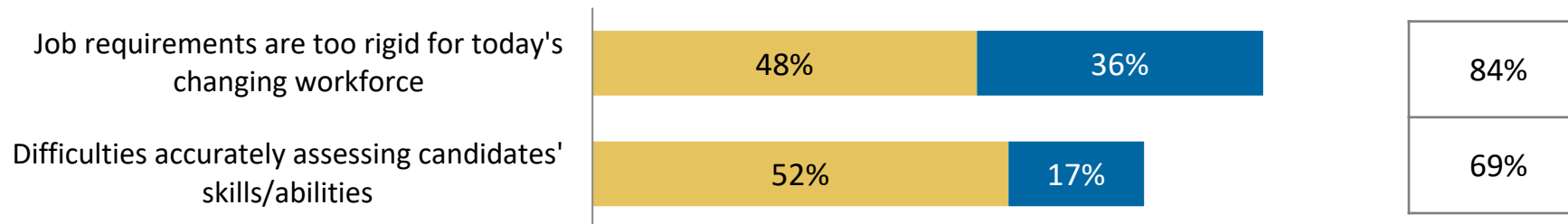
Recruitment Outlook: Challenges In-Depth

5-year recruitment challenges: Hourly SKILLED production positions

Finding and developing candidates:



Qualifications/job requirements:



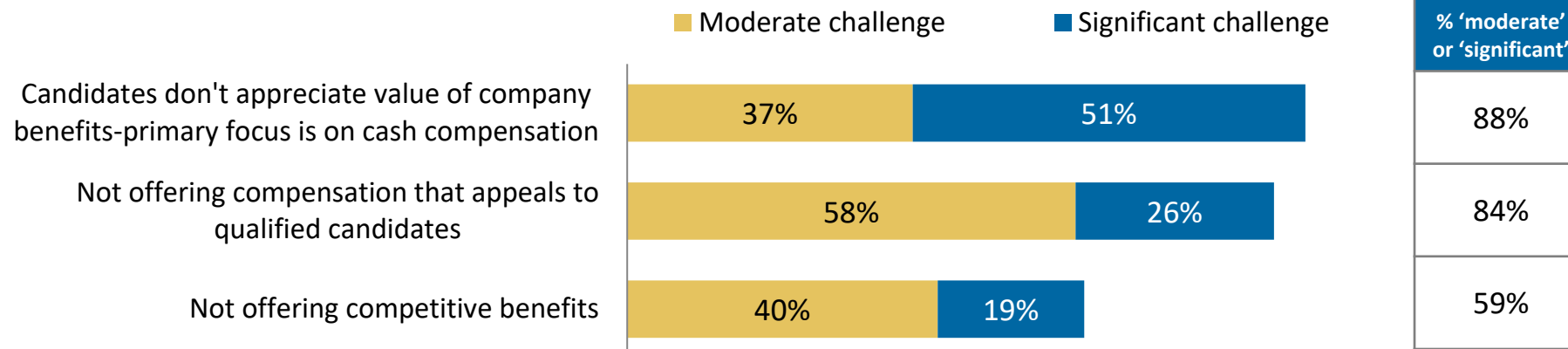
Q.: Over the next 5 years, to what extent will the following RECRUITMENT-RELATED CHALLENGES contribute to the skills shortage at your company for hourly, skilled production positions?

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.

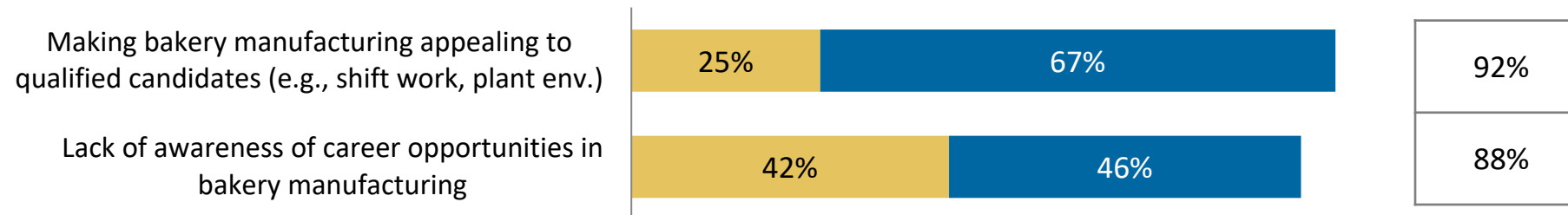
5-year recruitment challenges: Hourly SKILLED production positions

(continued)

Competitive salary/benefits:



Employer/industry branding:

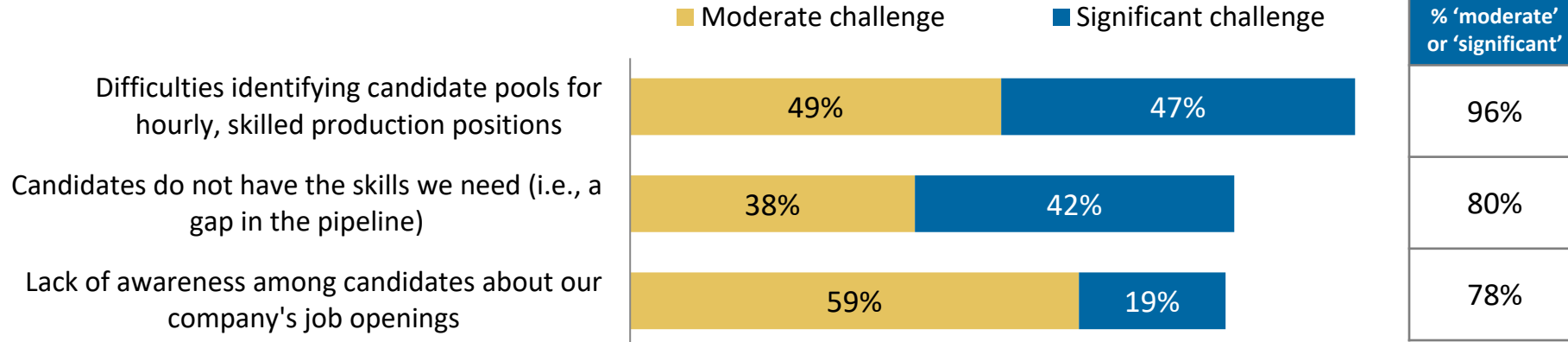


Q.: Over the next 5 years, to what extent will the following RECRUITMENT-RELATED CHALLENGES contribute to the skills shortage at your company for hourly, skilled production positions?

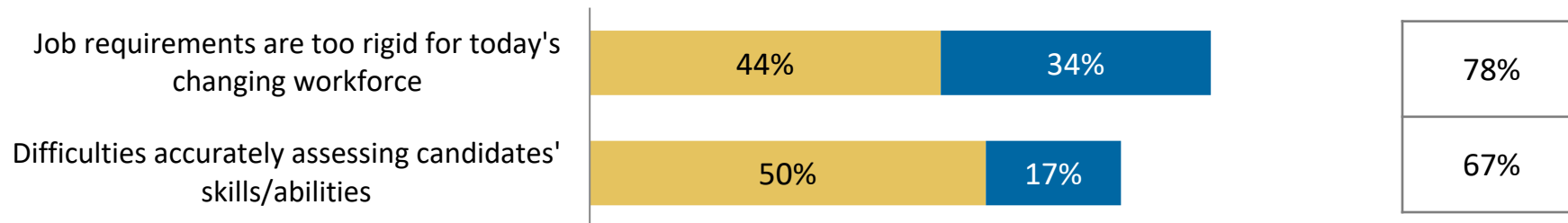
Note: Based on a 3-point scale where 1='Not a Challenge', 2='Moderate Challenge' and 3='Significant Challenge'; respondents provided 'Don't Know' response option.

5-year recruitment challenges: Hourly UNSKILLED production positions

Finding and developing candidates:



Qualifications/job requirements:

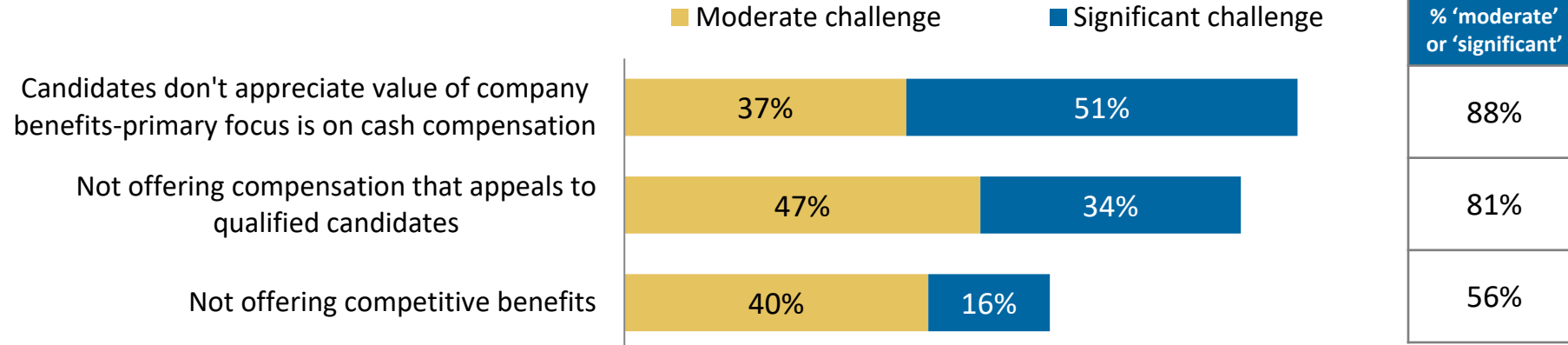


Q.: Over the next 5 years, to what extent will the following RECRUITMENT-RELATED CHALLENGES contribute to the skills shortage at your company for hourly, unskilled production positions?

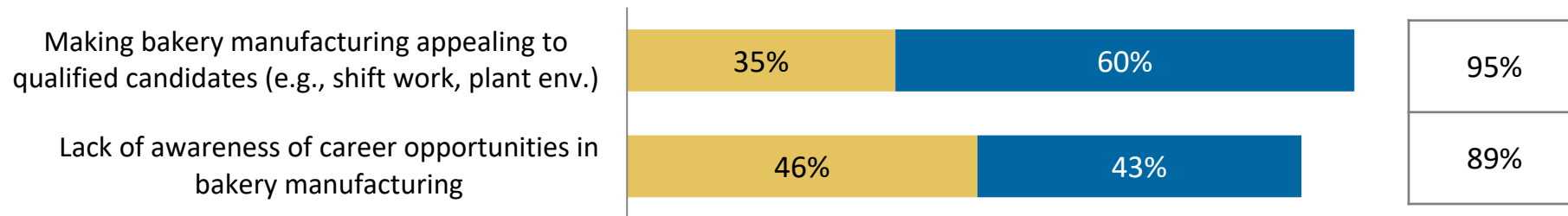
Note: Based on a 3-point scale where 1='Not a Challenge', 2='Moderate Challenge' and 3='Significant Challenge'; respondents provided 'Don't Know' response option.

5-year recruitment challenges: Hourly UNSKILLED production positions (continued)

Competitive salary/benefits:



Employer/industry branding:



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, unskilled 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.



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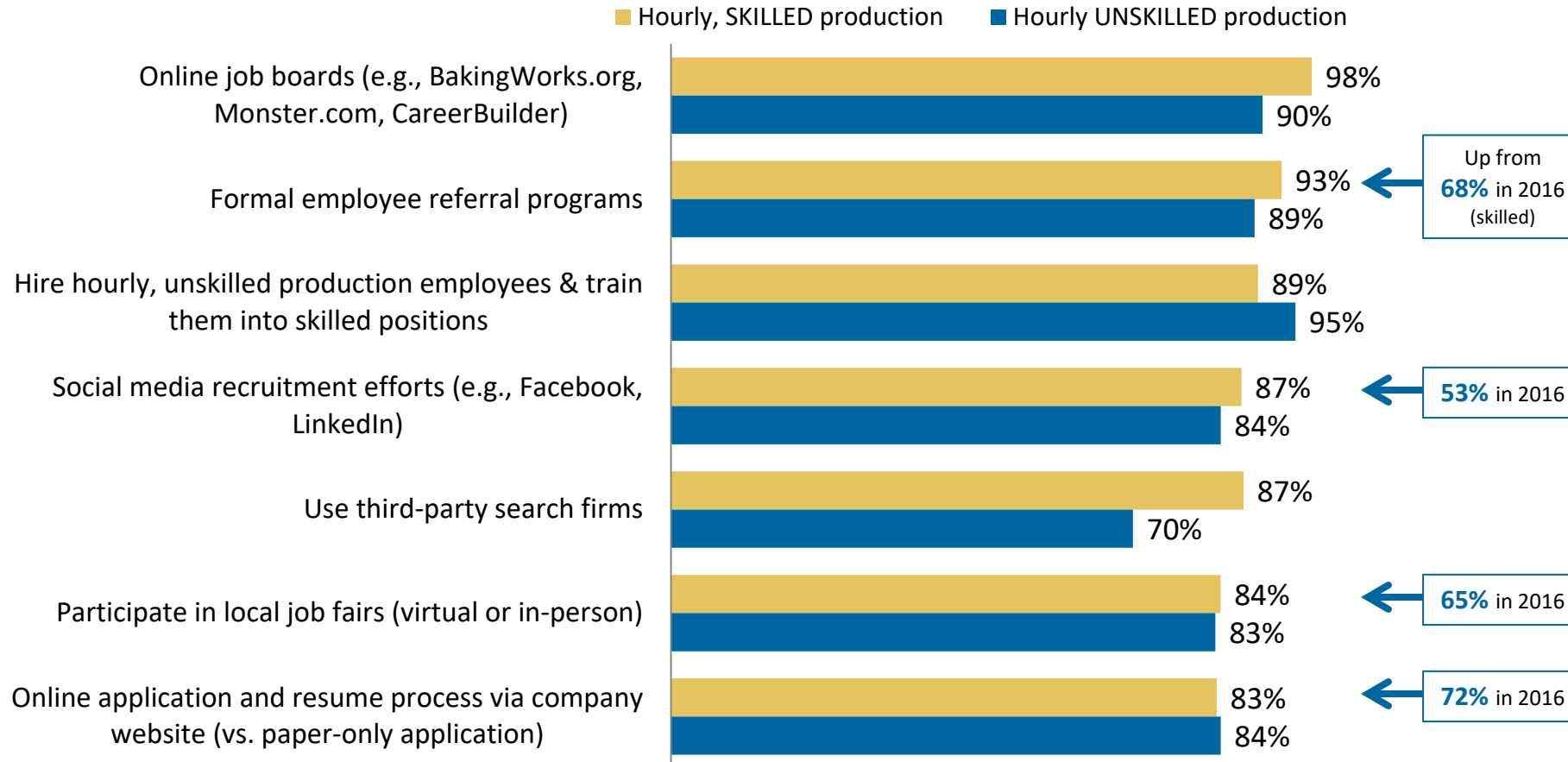


Current Recruitment Best Practices

Current Recruitment Best Practices

Finding Talent: Top Strategies

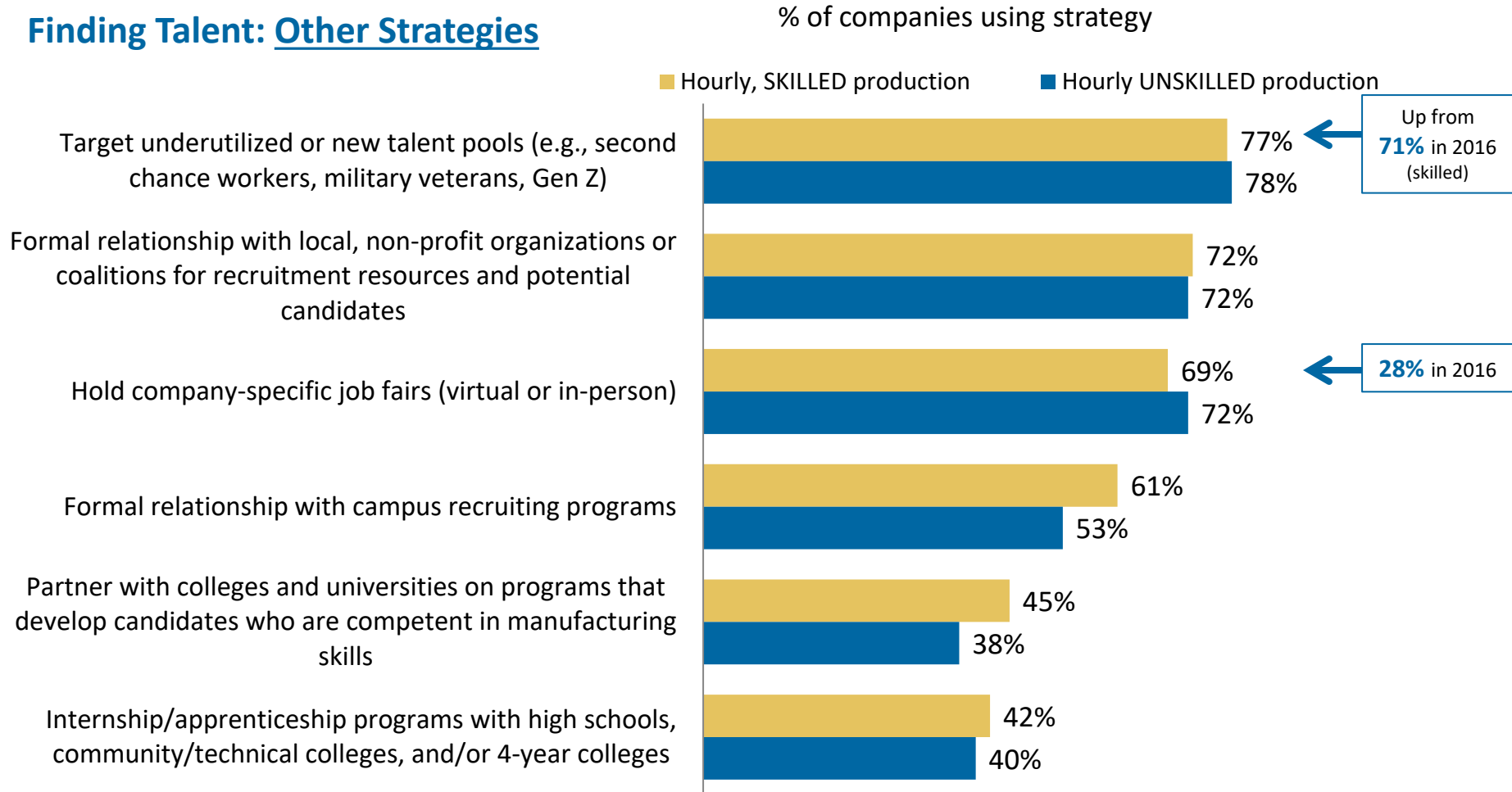
% of companies using strategy



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'.

Current Recruitment Best Practices

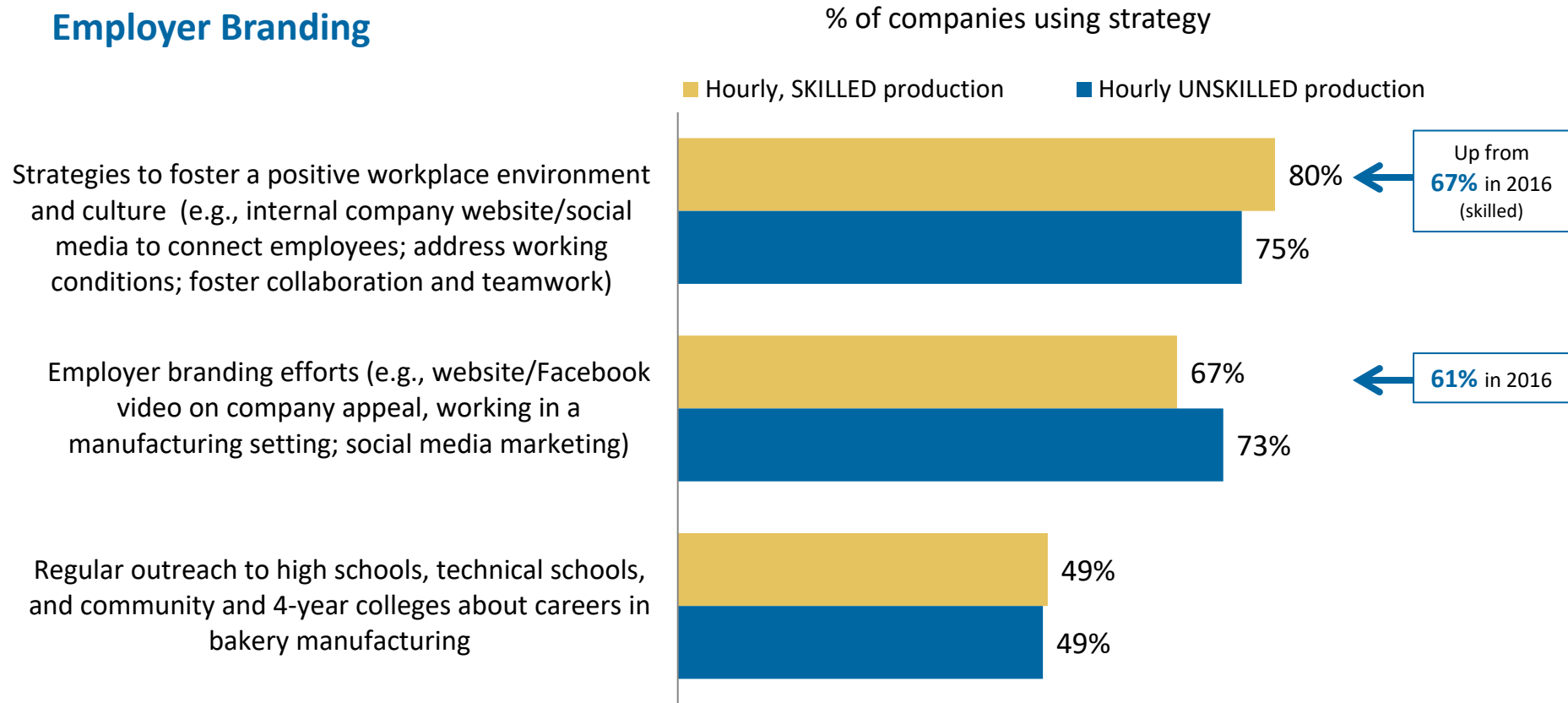
Finding Talent: Other Strategies



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'.

Current Recruitment Best Practices

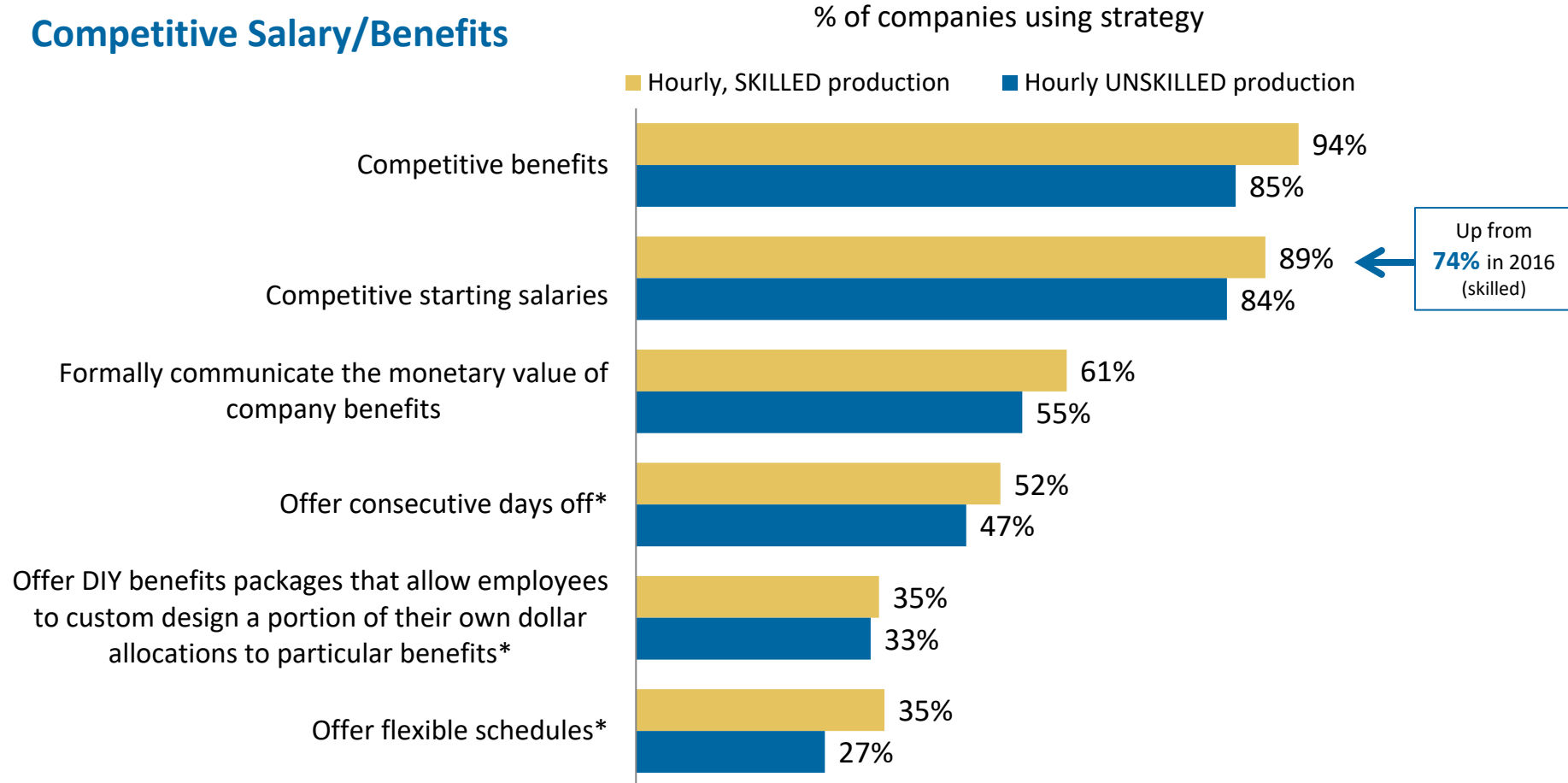
Employer Branding



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



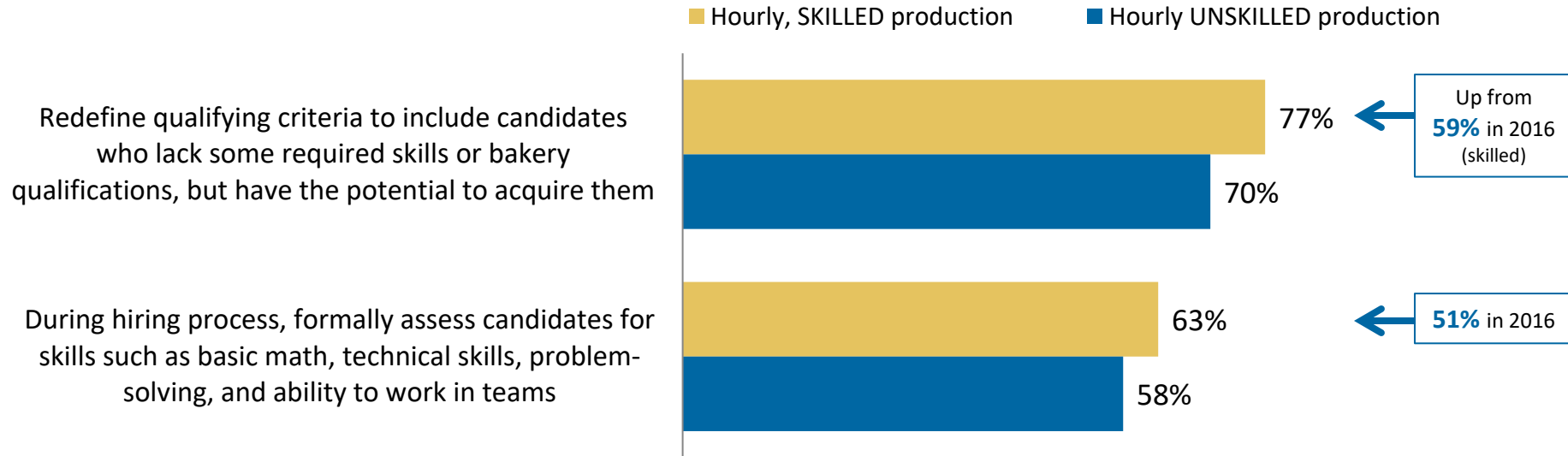
*New items in 2021

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'.

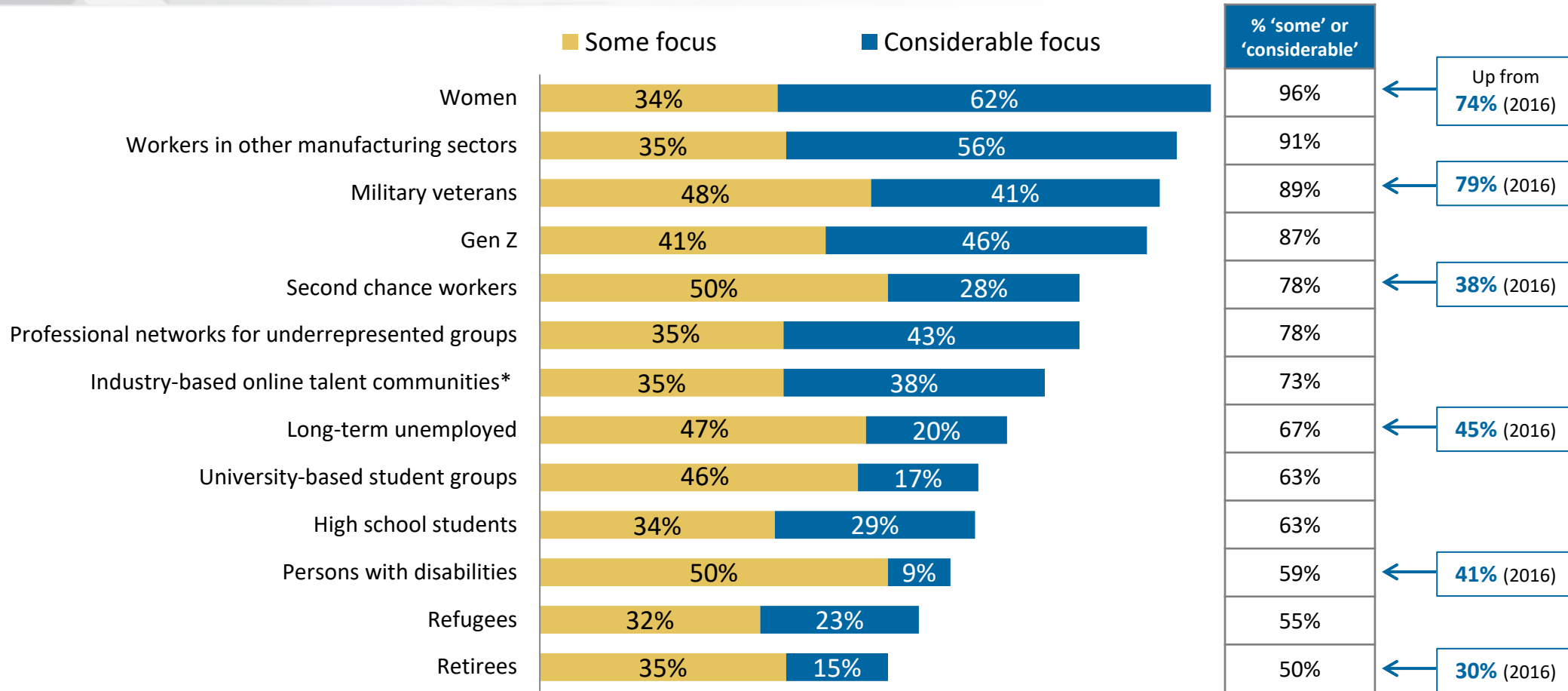


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Current Recruitment Focus Areas

Current Recruitment Target Segments



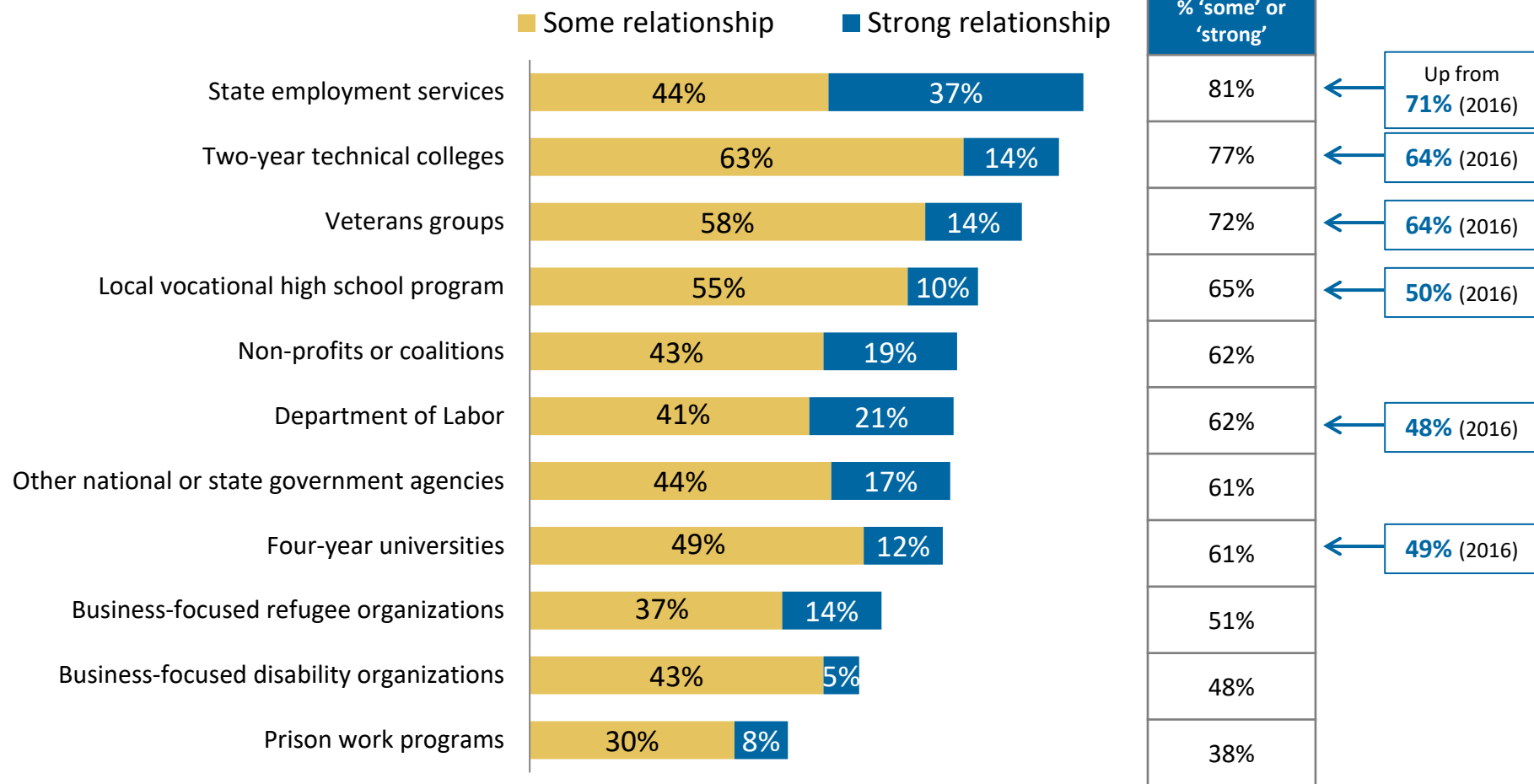
*Industry-based online talent communities=created for targeted individuals to engage with company representatives and other job seekers to develop a sustainable talent pipeline, e.g., company-specific talent communities and/or monitoring existing talent communities like LinkedIn Groups, Glassdoor

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.

Current Recruitment Organizational Relationships

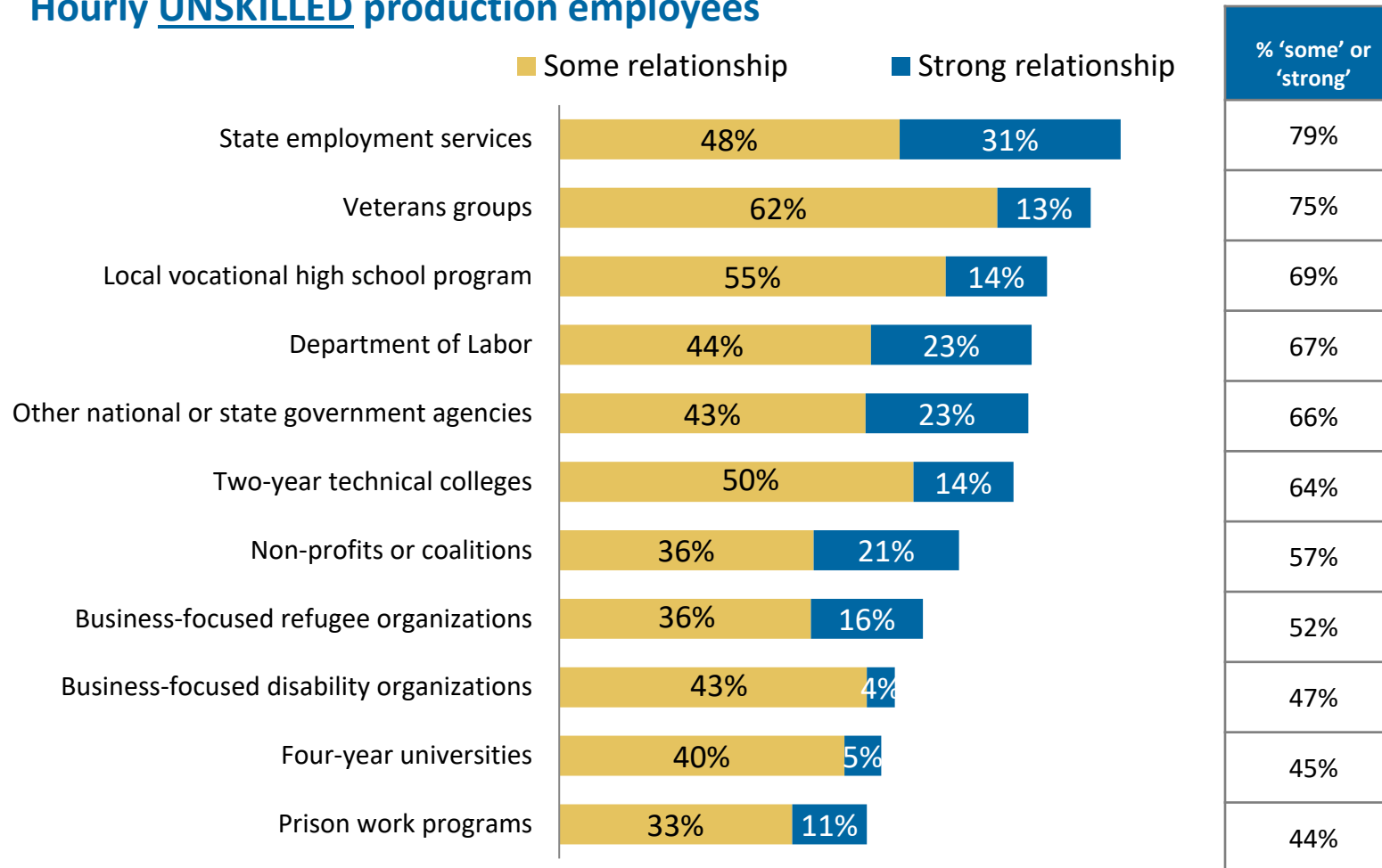
Hourly SKILLED production employees



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.

Current Recruitment Organizational Relationships

Hourly UNSKILLED 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.



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Key Takeaways

Key takeaways

Job positions with highest current recurring skills shortage for hourly:

- Machine operators
- Production helpers
- Loaders/shippers

Projected recurring skills shortages will **LESSEN** in next 5 years for hourly:

- Machine operators
- Production helpers
- Loaders/shippers
- Sanitation workers

Projected recurring skills shortages will **CONTINUE** in next 5 years for hourly:

- Maintenance/engineering
- Drivers

Key takeaways

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 appreciate the value of company benefits – primary focus is on cash compensation

Key takeaways

Top current recruitment best practices

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 & culture*
- Employer branding efforts* (e.g., website/Facebook video on company appeal, working in a manufacturing setting; social media marketing)

Qualifications/Job Requirements

- Redefine qualifying criteria to include candidates who lack some required skills or bakery qualifications, but have the potential to acquire them

Salary/Benefits

- Offer competitive starting salaries* and competitive benefits

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

Key takeaways

Top current recruitment target segments:

- Women*
- Workers in other manufacturing sectors
- Military veterans*
- Gen Z
- Second chance workers*
- Professional networks for underrepresented groups

Top current organizational recruitment relationships:

- State employment services*
- Two-year technical colleges*
- Veterans groups*
- Local vocational high school programs*
- Non-profits or coalitions
- Department of Labor*

*increase statistically significant from 2016 baseline study



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