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Tight labor market has employers trying new workforce strategies

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Asked what big news Columbus should see in 2019, <u>Matt Gregory</u> didn't hesitate.

"Next year's going to be the one we finally land a major headquarters," the NAI Ohio Equities broker said while speaking this month on a panel of real estate and development leaders at an Institute of Real Estate Management gathering.



TRISTAN NAVERA City of Columbus.

Indeed, giant headquarters stories dominated

headlines this year for other up-and-coming cities. Northern Virginia and New York City split the <u>\$5 billion, 50,000-job Amazon HQ2</u>. Austin's getting a <u>\$1 billion Apple</u> <u>campus</u> with potentially thousands of employees. Finance giant AllianceBernstein picked Nashville for a new headquarters and 1,100 people.

True, Columbus has landed some big names – half a <u>Chipotle headquarters</u> for one, and likely a <u>next phase of growth</u> for CoverMyMeds.

But the kind of market-changing workforce investment didn't come to Central Ohio this year. While such a win could be a major windfall and attract more residents, some business leaders say there's a more immediate concern in filling the jobs we've already got.

AEP CEO <u>Nick Akins</u> said a fourth of his company's 17,000 employees are expected to retire in the next five years and he's got 4,000 jobs he's going to need to fill.

JPMorgan Chase, which employs 18,700 here, posted ads for 800 jobs in <u>one</u> recent month alone.

<u>Ilya Bodner</u>, whose insurance tech company Bold Penguin has grown to 70 workers this year <u>amid a plan to grow</u>, put it more simply.

"We're building a tech powerhouse here," he told me. "But talent is a competitive environment. Everyone's hiring."

Economic advantage

Columbus' diversified economy has helped it avoid the struggles of other Midwestern cities, said Spencer Levy, a CBRE national economist. Five different industries account for at least 10 percent of the city's workforce, but no one of them 20 percent.

"You've got an economy a lot of cities your size hope for," he said, noting the less diverse business environment in comparatively tiptoeing Cincinnati and shrinking Cleveland. But many share a common need to hire in growing Central Ohio, and so workforce pipelines are forming in a number of different ways.

Big employers are assembling one such program. AEP, Accenture, Wendy's and JPMorgan are working with the national Business Roundtable, the Ohio Business Roundtable and Columbus State Community College to <u>launch the new Workforce</u> <u>Partnership Initiative</u> for the region. Akins said a holistic response is needed.

"What are those skills sets of tomorrow and how do we look at what the future skill sets, but not forget what's existing and what are the foundations of the country's (workforce)," Akins said. "The companies need to arrive at some form of a commitment around education mapping to actual jobs at the end of the day."

Different paths

The hiring struggles also mean new talent strategies for major employers. Joe Chenelle, the managing director of Accenture's Columbus office, oversees the company's 765 workers in Central Ohio. Looking for new people is always a challenge, he said, moreso when Accenture is expected to hire 200 for its digital "innovation hub" important to its operations far beyond this state. The company has launched a program recruiting students from Columbus State Community College for hands-on training in digital jobs.

"An unacceptable number of our local citizens are left behind when we're growing like this," Chenelle said. "I really believe in access. ... It's a win for our people and company and underserved folks. How do we create an IT training program that brings folks in non-traditional degrees and develop a new pool of resources to make them successful?"

Public-private partnerships help, Chenelle said, because the new paradigm is that tech is changing so quickly that even long-time employees need to train again to learn relevant skills.

So too could the need for people push ever more into non-traditional sources of talent. "Ban the box" style campaigns have encouraged more hiring for people with criminal records. And a 2-year, \$5 million pilot program by the Ohio Bureau of Workers' Compensation showed promise for helping people in treatment for opioids find stable employment.

<u>Robert Robenalt</u>, partner with employment-focused firm Fisher & Phillips LLP, said this kind of project could help turn back the opioid crisis hitting especially rural areas of the state.

"It's a win-win situation and will provide and opportunity and window if employers are willing to step up an take the chance," he said. "It's a second chance as an employment opportunity. And it gets these folks off the sidelines and into being part of the solution."

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