USIQ CEO - PhDr. Oliver Scharfenberg

Labor Shortage in Alabama: Analysis and Outlook

NOVEMBER 22, 2024 - Alabama is facing a crippling shortage of workers, which is causing a ripple effect that yields poor outcomes for businesses within the state. Just last year, the state created the Alabama Labor Shortage Commission to manage the issue, but the worker shortage still persists.

According to PhDr. Oliver Scharfenberg, managing director at the USIQ United States Institute for Quality, businesses need to think outside the box for solutions to the workforce shortage in Alabama. “Alabama’s worker

shortage is a massive problem for the state's economy, and employers need to get creative to find new ways to attract workers."

As it stands, Alabama has a worker shortage of 0.38. This means that the state has only 38 available workers for every 100 open jobs. Furthermore, statistics show that there are 129,000 jobs open across the state and nearly 49,000 employed workers in Alabama. With a labor participation rate of just 57%, the labor shortage in Alabama continues to place a burden on the state's economy.

All areas of the state are impacted by this labor shortage, spanning rural areas to urban settings. According to the team at USIQ, there are a few ways that employers can immediately stand out and help draw in new workers. The visibility of employers is critical for managing the labor shortage in Alabama, and one way to do this is through a professional employer branding strategy.

"Among other things, employer seals of quality, which are awarded based on a representative employee survey like Top Employer, are suitable," says PhDr. Oliver Scharfenberg. "These capture the current status of the employer and provide tips on how to improve as an employer." In his doctoral thesis, PhDr. Oliver Scharfenberg dealt with the topic of employer seals of quality and is considered an expert in this field. Innovative employer seals also help with employee recruitment by giving employers more visibility. The USIQ blog (https://www.usiq.org/blog/) provides numerous tips on this topic.

Until the workforce shortage is reduced in Alabama, these issues will continue. Cities of all sizes across Alabama are feeling the pinch of this workforce shortage, which rears its head and brings down customer service. With a few seals, however, Alabama businesses can demonstrate that they are sought-after workplaces.

ABOUT

The USIQ United States Institute for Quality LLC, is committed to helping American businesses gain new customers and qualified employees quickly.

ALABAMA

Alabama has **38** available workers for every **100** open jobs.

Worker Shortage Index
0.38

Job Openings
129,000

Unemployed Workers
48,590

Labor Force Participation Rate **57.0%**

Quit Rate
2.9%

Unemployment Rate
2.1%

Hiring Rate
4.5%

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