

- [Shari] Hey, and welcome to PCTY Talks. I'm your host, Shari Simpson. During our time together, we'll stay close to the news and info you need to succeed as an HR pro. And together we'll explore topics around HR thought leadership, compliance, and real life HR situations we face every day. Joining me on the podcast today is John Baldino, president at Humareso, and Josh Rock, talent Acquisition Manager at Nuss Truck Group Incorporated. So John and Josh, thanks so much for taking a few minutes of your crazy days to spend some time with me on the podcast talking about trends for 2023 in HR.

- [Josh] Awesome. Thanks for having me.

- [Shari] Yeah. So, we are doing a webinar on this in a couple days here. And it's funny because usually by this time of the year, I feel like I've seen multiple blog articles, and research coming out like, hey, what's coming for 2023? And it's really light this year. A lot of people haven't kind of put a stake in the ground as to like what we should expect for 2023. Why do you guys think that is?

- [Josh] I'm seeing some carryover stuff that they didn't get done for 22 because of the chaos of whether it was people working from home or reductions in force that they're just like, hey, we're just going to quietly tiptoe all of our projects into 23. I mean, I could name some names, but maybe we can get to that in a bit.

- [John] Yeah, I mean, I'll name too. Honestly, I know I was messing around, but I do think that people are afraid for two reasons. One, it's sort of quietly unstable in the economy at the moment. And what I mean by quietly is I think there's sort of like competing agendas. And so the messaging is sort of a little convoluted, but I think that that's part of the reason why we're seeing the layoffs at this time that we're seeing from some companies. And I'm going to say large and small, and I know the large ones make the news, but small companies are laying people off as well. And so I think people are a little afraid to make predictions because the ground is unsettled. And we also are in a world where if you say it and it doesn't come true, like then you're afraid your street cred goes away. And we have to be a little nicer to one another.

- [Shari] Oh, I completely agree. It's interesting, the unsteady ground thing. I was looking at just the news this morning, and Twitter laid off a bunch of people, obviously with Elon Musk taking over, Facebook slash Metaverse just let go of what, 13,000 I think was the number I saw this morning.

- [John] 11 or 13. A lot.

- [Shari] A lot of people, and what's interesting is they were hiring as of 12 months ago, they were ramping up and hiring. So I completely agree that there's this slowing of things that's happening, and so we

have to adjust to it.

- [John] Well, and I think part of the trend is this is a course correction. So, I mean, Josh and I, I know we talked about this a while ago, but we spent a lot of money on talent earlier this year to get people 'cause we were so desperate for folks that the compensation bands that were being used grew a lot and yeah. And so we knew that companies were going to, especially the larger ones, going to have to deal with budgets and say, we can't afford to keep this up, so we're going to have to cut people, and then we can level set where the rate of pay is back to something we can afford long term.

- [Josh] Yeah. The greed in excesses is like the rubber band that's snapping back, and hitting you square in their back end. Companies that were smart aren't going to see that nearly as much, much like my organization, we've grown rightfully, we've done pay within the realm that we should be. So we shouldn't see that. Now, obviously transportation is near recession proof. I mean, you look through the pandemic and people still needed to get tele paper, so we were still busy fixing trucks so they could get there. But yeah, I mean, you're going to see some of that snap back there. People were desperate, they were overpaying, as John said, people thought they could get it. Well, now what happens on their side as talent when they're getting laid off, and they're not making the pay that they thought they were going to make because they thought they could get what they could get it. It's going to be interesting.

- [Shari] I think you're right though about organizations who were a little more forward thinking. I'm fortunate that I worked for an organization that at the very beginning of the pandemic, their motto was, we're not going to lay anybody off. We're going to figure out how to get through the pandemic and not lay anybody off. And they also took a conservative approach to the other side is to bring in talent. We're not going to over inflate what we're paying people because we know it's, like you said, we know it's going to snap back. And so we're going to be hurting in a different way if we do that.

- [John] And I think too, and this will be an unpopular opinion, and so I can't help it, and I'm too old to care about street credit anymore. I mean, I think that part of it, oh, Josh, you're so kind. Part of it is this demand centric consideration that candidates have right now. You're not the prettiest dude for the dance anymore. Like, you're going to have to just deal with the fact that yes, it felt really good eight months ago that everybody wanted you, you were up for, homecoming king or queen or whatever thing has been like tapped into for you to have. And now you're not as popular. You can't call the shots as much. I mean, I talked to somebody last week who was like, John, I'm looking for, this kind of role at 175,000 plus equity in the organization. I never want to come into the office. I'm looking for benefits to be covered for my entire family. And I'm like, me too,

Whitney. Let me know if you find that, and I own my own company. Let me know because I think people have to sort of reset their expectations and this work from home, work hybrid, work in a facility, it's going to come to a head. I'm going to predict certainly first half of next year we're going to see it come to a head. We already started to see it happen this year, and everybody wants to sort of boohoo about it. It's not a bad thing to work with other people physically. We have to stop saying that. We have to stop saying that.

- [Josh] You heard it here people, John said, it's going to be an office thing. You're going back, you got to work with people again. Forget working with your cat. Go back to work. You heard it from John?

- [John] Yes. Yes. Because, again, Josh and I have talked about this, but like we have created in 2022 a little bit of a cast system, and shame on HR for letting it happen that the work remote or work hybrid roles are better than the ones that you have to come in, and physically work. Shame on us for letting that be something that people think. I need people to come into work and fix trucks, Josh, like you were talk, like we need those folks. Don't make them feel like, oh, poor you, you can't stay home and work on a computer. No, that's not true. Not poor them. I'm so grateful for them. I'm so grateful.

- [Josh] The one thing that John and I find is that even though we work remote, in our HR capacity, we still crave that in-person interaction. I mean, John and I have a collection of friends that are on WhatsApp constantly. Nicole Roberts you may be aware of, she was also one of the influencers at you've got Jessica Chung who works for Leap Jam. You've got Ben Watts over in Australia. I mean, we have this collection, Steve Brown, everybody knows Steve. We're all on this conversation, because we thrive on that interaction, that feedback, that support. When we can't get it in person, we have to find a way to do that. And that only does so much. Jessica and I went to Ohio recently to hang out with Nicole. John's like, hey, come hang out in Florida. Hell screw living in Minnesota. Come move to Vero Beach, Florida. These are the things that we're, we think about. But it's the same thing for the office. Susie Johnson doesn't have an overhead crane to work on a semi truck in her garage. She's got to come in. I'm sorry, your work remote thing isn't going to work in my industry and in healthcare. Come on. Are you going to be donning and doffing in your basement when you got to work on a patient for open heart surgery? No. Get over yourself. What I say when I talk to candidates on the phone, whether they're from my industry or I'm talking at USC about bio med, guys, you have to go work in offices at times. Not every role has a capacity to be remote or hybrid or whatever. It just doesn't work that way. So it's upon us in HR to level set, to set realistic expectations. I talk to my candidates, I'm like, guys, I am not your gatekeeper. In the end gatekeeper is going to be the hiring manager and yourself. What I am, I'm your navigator or as I tell John, I'm your dance partner buddy. I'm going to help you through the

process, but in doing so, I'm going to level set expectations. So John's candidate that had the layer upon layer of expectations. When their expectations are out of whack. It's upon us to say, hey, you know what, while I understand that, here's the realistic expectations for what our organization can do for you. This is going to be a great opportunity. And now you can decide whether or not you want to gate keep yourself out.

- [Shari] I'm curious as your organization especially 'cause I agree, there are a lot of roles that could not, cannot do hybrid or remote. And that's just the reality. My husband's a firefighter by trade, and so like pandemic was very interesting.

- [John] Can your husband put out fires by Zoom? I think we'd be pissed if that was it. Fire department's on Zoom.

- [Shari] Yeah. But we still are talking about employee experience, and culture and all that kind of stuff. And that's obviously changing and Gen Z's going to affect that and Jen Alpha coming up is going to affect that. So I'm curious, Josh, in your world, how have you thought about employee experience? Because it's so different than like hybrid or remote.

- [Josh] So one of the things that we've done is we've simplified processes. When I got here, the standard was you had to fill out the legal application before we would consider you. I'm hiring diesel mechanics. These are guys that turn wrenches all day, and change the air filter and trucks and change wheel. I mean, say, well, they're not on computers. Now granted to do the work in our institution, they have to use computers to enter repair orders, and ask for supplies. But these guys they don't want to spend 20 minutes filling out a legal application. So what we did was we used a text messaging software where they could text us their resume or application or their information and then we call them, we go through the phone interview. If everybody's on the up and up on being interested, then we book the interview simultaneously we have them then do the application. So what we did is we laid the groundwork early, we built a connection, we built a relationship, and then we had them do that legal application that we have to get, and then move them through the process. Yeah, it's extra steps, but I don't have them spend needless time. I'm not losing candidate engagement because of having to have these pieces. I mean we were seeing probably a drop ratio in excess of 75% people going to our job postings. You can't sustain that. So we had to find another way of doing it. And so we used SMS to help with that. We used a short online apply form, which was literally name, phone number, email, and then we gave them the option of an attachment where they could load a document. I love the international candidates, they're sending me profile pictures of them in their car in Uganda. I'm like, dude, I would love to hire you just by your profile picture, your headshot you sent me, but it's just not going to work. Some would

actually send me resumes, which was great. Some would send me letters. I'm okay with that. But it was what a simpler way to get my attention, and start the process. But then we try to do things. We've done our mechanics assessment electronically or they could do it from the comfy confines of home. It's 50 questions, 35 multiple choice like you were back in elementary school. They can do it from the comfy confines of home. And DocuSign tells me when they looked at it, when they completed it. So I know that they didn't spend three hours looking up all the answers. We found ways around it to ease the candidate experience, get us the return that we need. And were definitely seeing the dividends. Our highest rate of hire was 80 hires in 2018. We're over a hundred, we'll be at a hundred by the end of December. We've eclipsed our highest watermark of hiring in the current crappy employment market that we're in right now. Taking full badge of honor on that one. It's been fun. It's been a good ride.

- [Shari] You touched base on something that I think is really important too. As you mentioned, all those technology pieces, what they didn't take away from the human experience you were creating, they augmented it. And I think that is a trend, I'm using that word loosely, but as we think about the future of digitization and digital and all that stuff, I think there's this fear that we're going to take the human out of it. And if you do that, you're doing it wrong. You are, you're doing it wrong. It should aid you.

- [Josh] AI, we hear AI everywhere we go, and AI can never replace a human connection. It just can't. You are doing your organization a disservice. You are doing your candidates a disservice by doing that. I mean, perfect example, I'm talking to a candidate over the phone, and I know this male diesel mechanic has a significant other, 'cause he alluded to it in the phone interview. I'm like, is she there in the room with you? He's like, yeah. I said, let's get her on the phone. Put me on speaker phone. I want to answer any questions she has because I know this isn't just a you decision. That's a us decision for your family. I'm like, what does she do? And we started talking and she's in healthcare. She's a rad tech. She does x-rays. I'm like, great, if we make this happen, I'm going to introduce you to a bunch of other hospitals. Sorry, AI can't do that. Perfect example.

- [John] I think that what we wind up doing to that tech point. Certainly tech matters. It does make things easier for some people. Accessibility can work easier. Certainly even if you don't live on a computer, you have a smartphone at this point. And so being able to sort of access things from wherever you are, just from the computer in your pocket, quite frankly, it's easy. And we want to meet people where they are, I think is a smart thing to do. What I typically see is that the coldness of technology, I feel like I didn't intend on sort of being an indictment to HR, but it sure is going to seem like it. The coldness of technology most times is started by human resources because we look for software that makes our jobs easier

often to the detriment of those that we're trying to serve. And I mean ouch. Here comes the ats. I'm going to get tagged all over the place. But the idea of it really needs to not be what makes my job easier in HR, but what will serve the people that I'm here to support better? How will I make their life better? How do I make their access less stressful? Josh, I love that point about the family, how does the technology help their family? Because I have plenty of people, even on my end when it comes to benefits as an example where the employee is like, I think I have benefits. And you're like, yes, you have benefits. What are you talking about? Like you're signed up and everything. Well, my significant other spouse, whatever it is, partner needs to look at everything and then, look it's right there. Hit that little app you have on your phone right there under, it says benefits. I don't want to make this overly complicated. Where it says benefits, touch that word and everything opens up. You could sit at home and read through all the summary plan descriptions all night long if it helps you to sleep, if you want to have a conversation, whatever it is. But I'm here to serve you in thinking that way. I'm not here to say, oh gosh, my census that I have to do for benefits. It'll be so much easier as long as I have this software. Forget that it screws everybody else up. My life will be easier. It's the wrong perspective.

- [Shari] I want to throw this out here. So AI, HR, so the academy to innovate HR, they have their list out there. And I hadn't seen this before, so I want you to react to it 'cause I thought it was pretty interesting. One of the trends they're saying for 2023, HR enters the metaverse. What do you guys think about that?

- [John] Lord Jesus, help us. That's my first response. We can't handle this universe. Now we're going to be set free in the metaverse. Golly.

- [Josh] Are we going to be start doing, career fairs with Oculus headsets on? No.

- [John] Listen, I'm going to tell you, this is not planned everybody. I just saw some people graduate and get some sort of certificate in learning HR in the Metaverse. 'Cause I saw it posted on LinkedIn. I don't know who it was. I don't remember. Please don't give me a hard time. I just thought if that's true. If we're really going into the metaverse, the core components of what we're supposed to do at human resources probably still need to activate in the metaverse just as much as they do in this real universe. So it doesn't make me any more, first of all, HR, it doesn't make us cool because we're in the metaverse. You're still going to dance like Elaine from Seinfeld. Just let it go. It's just what it is. So just saying, hey, I'm in the metaverse now makes the metaverse less cool. It's when your mom is on TikTok, TikTok is less cool. Like that's just the reality.

- [Josh] John Baldino is on TikTok.

- [John] No I am not because my kid said do not go on TikTok.

- [Josh] Don't enter my space dad.

- [John] That's right. That is right. So now I'm in the metaverse like creeping over the virtual wall looking into Snoop Dog's backyard. Trying to figure out what party he's got going. That doesn't make me cool. If the intention behind those kinds of things is really to be thoughtful around the future of work, then I'm all for it. How are we exploring the future of work in the metaverse practically and sustainably? Not just from a trend standpoint, sustainably. What will this look like for us to engage people at that level? It's a real world as far as commerce is concerned. There is an entire vein of it that's happening in the metaverse. It isn't going to be for us to just come in and ready to write our metaverse handbook. It's got to be much more to it than that.

- [Shari] I do think training could look really cool in the metaverse. I was thinking Josh, about your world, and can you imagine if a mechanic can learn with an Oculus headset and gloves. I don't know what the actual term is for them. I'm sure they have some fancy name, but gloves where they could actually work in tools, and have that feedback. I mean that.

- [Josh] They already have it Shari.

- [Shari] No way. Really.

- [Josh] Yeah, it already exists. There's applications out there right now that will start from outside the cab of a truck, and go in all the way in to tell you where the guts are for a particular element that's gone out. So if you run a diagnostics check, and you see that there's an error in this part of the engine or exhaust system, you can actually hone in on where that's going to be in that specific model of the truck.

- [Shari] Wow. Clearly I had no idea.

- [Josh] You can get down to a screw that goes into a part. So you know what part you need.

- [Shari] They need to give this to just like regular people so we can fix our cars. I know maybe that's like taboo to say, but.

- [Josh] I do it all the time. When my washing machine went out, it wouldn't spin anymore. I actually ordered, maybe it was the dryer anyway, one of those two appliances. Basically instead of paying a repair man \$800 to come to my house, I used a 2 cent zip strip, zip tie and zip tied a little piece to my dryer. And it worked like a

charm. Thank you YouTube.

- [John] So you filled it with water 'cause you got confused between the washing machine and the.

- [Josh] I don't remember which, this was like three years ago. I don't remember which machine it was, but yeah, I mean it worked fantastically. I didn't have to go buy a new machine. Like two cent zip strip, saved me from a \$800 machine.

- [John] And that's where I think, YouTube is a great example. I think that when you're looking at platforms, you're looking to see what will give us the greatest benefit and the greatest reach for those that we support. So if you do have a diversified staff geographically, then having something that is going to be helpful to meet people where they are just because of time zones, and schedules, they can log into something and have that virtual experience, I think is helpful. What I would continue to encourage is, it's a piece of it. So when someone puts on an Oculus for the first time, and has to diagnose a truck or has to show what they would do as a dental hygienist or shows what they would do for this or that. If it's somebody's first time putting something like that on, if you're a cutting edge company and doing that, if that's really your only, litmus test to say whether someone's going to move forward or not, I got to tell you, there's probably a bunch of people who will not do well the first time, have some grace in these things because it isn't natural. I mean, we've watched, I know I have countless hours on reels of all the people who wear Oculus and then just pummel every human being that's near them or break televisions or, I mean it's hilarious. But understand the reason that's funny is because it's someone's first interaction with it, and they don't know what to do with it. So I think with any tech platform, we also have to be thoughtful that it isn't unintentionally causing bias to a particular population of people that may not. My son is a streamer, he has two hands but works 47 controllers. I don't know how he does it, but he does between the keyboard and camera, and all these other, I sound so old even saying it this way, but I can't do that. I know I can't do it. I'm not coordinated enough. If I had to like cover for him for his stream, it would be his thousands of followers would go away because I would screw it up.

- [Shari] Oh, I think they would tune in. Don't undersell that.

- [John] For that, but make sure that you know your population, give enough room for people to be successful in maybe a couple of different.

- [Shari] My oldest son has a headset, and when I was visiting him, he's like, yeah, let's try this. I want you to try this game. I'm using the term very loosely 'cause it was like a walk the plank on a skyscraper game. I don't know why you would want to do this, but the



intent is you walk out on this plank and walk back and I got like out the window and I was like, yep, nope, nope, no thank you. Nope. Not doing it. Not, but my husband, he jumped off the plank and he like, did the whole like, fall to the ground, the whole thing. I was like, you're wired different, I mean, that's being a fireman.

- [John] Literally I'd have a medical event if I was, I would like, I'm in it. So I'm going to have that experience. So it's not positive for everybody.

- [Shari] Yeah, I agree. As you guys think forward, so like we'd started the conversation. Like nobody's really putting a stake in the sand. I mean, Gardner is, but I haven't really seen anybody else come out, and say like, these are the five things you have to do. Which I'm not going to ask you for five things, but as you think forward in your spaces, what's the one thing that you're most curious to see how we do in the next year?

- [John] I mean, I'll go. I was deferring to you first, Mr. Truck man, I thought you were going to say something about something with diesel. I'm most curious to see what re-skilling looks like next year. Because if I'm going to make a another besides the physicality of work, I think the other thing that is going to be necessary is re-skilling. I think that we are going to have to be, as employers, organizations are going to have to actually drive the re-skilling of talent, and not sit back and passively say, well, if they want this job, let's see if they put the work in. I think that from a resource standpoint, we won't have enough people who have access to what they need in order to re-skill in some ways. And so the onus will be on an organization. I am curious to see which organizations will rise to the occasion.

- [Shari] How about you, Josh?

- [Josh] I'm interested to see the level of humility that returns to industry, both in the corporate and in the employee or candidate. Because right now, the last year and a half has been all about ego. You see it in HR tech and the amount of money that they're throwing around. You see it in candidates and what they're demanding. I'm interested to see the return to humility, what companies that stand up and say, you know what, we aren't the end all be all. So we're going to combine with somebody else to fill the gaps that we don't have. HR I'm hearing this, whether I'm here at Sheridan Insights right now in Las Vegas or at other conferences, they're tired of the tech stack. They want things that work seamlessly, where the gaps are. So does HR tech finally say, okay, people are going to start, shedding software because they don't have the money anymore. We need to be humble and say, hey, we don't have it all, so we're going to see more combination. Maybe that's it, or maybe they offer more, and the candidates, you know what, I don't deserve all of the money that I was asking for a year ago, eight months ago. All of the work from home,

the extra vacation days, the sabbatical leave, all of these things that they've been asking for without actually doing the work. And then you add into, what John was saying about re-skilling, do we see this flood of of workforce coming in that has been sitting dormant for the last two years? And who knows? I'm excited to see where everyone just says, okay, we're all cool again.

- [Shari] I like that. I think that could be a really cool place to be where organizations think more collaboratively with each other. We've talked about this before, like there's more than enough money to go around. There's more than enough space for every influencer to influence. Like there's space for all of us.

- [John] No.

- [Josh] As long as you have John and I on the list, then we're good.

- [Shari] That's right. But there's truth to that. There's space for everybody. And so how do we elevate each other? How do I look at the work that you guys are doing and go, hey, how do I step in and have a partnership with you, and elevate the work you're doing and vice versa, and not feel like we're competing. Because we're in the same space. I think there's so much truth to that. So I really love that.

- [Josh] I love the fact that you brought that up. I had this very same conversation last night with Lisa Tolson who sells for Paylocity. I was telling her that you and I were going to be on this. And she said, how did this come about? And I told her the story about how we connected John and I and you, and she's like, oh, this is great. And I said, Lisa, one of the things that you can do is after this podcast comes out is share it with your prospects in your market here in Minnesota, and elsewhere, because it's going to have two really fabulous HR guys talking about what's going on, and the connection to Paylocity and how can we help each other. And so we're actually going to have a call, Lisa and I are next week about that very same topic about how can we help each other out? How can I help her elevate, and connect with HR whether or not they buy Paylocity down the road. So. Good drop there, Shari. I appreciate that.

- [Shari] It was well planned, I guess.

- [John] I mean, and that's where I think that come in full circle. The humanity piece matters so much. I think that we really don't, if you think about what we do, first of all, don't take yourself too seriously. And second of all, we're in the people business. All of us, whether you're selling tech, whether you're in HR, whether you're in finance, I mean, horrors of ours, they're in the people business too. Because if we don't have people, as clients, as customers, whatever space you're in, B2B or B2C, it falls apart. Business needs people. And so if we just remember that we are working with other people, it

helps you to just have a better attitude about things. This whole influencer thing or whatever these titles are that we use, I appreciate it. I know the context, but overall, when I'm talking to someone who has to take leave because there's a medical situation happening at home, they don't care that I'm an influencer in somebody else's eyes. They're hoping that I can be an influencer in their situation. And that's what we have to remember.

- [Shari] What a great note to end on for our conversation. This has been a lot of fun. I think that's the word I'm going to use because I think that's the best way to spend time with people who are in our space together. So thanks for taking a few minutes of your guys' day to chat with me.

- [Josh] Thanks for asking.

- [John] Totally.

- [Shari] This podcast is brought to you by Paylocity, a leading HCM provider that frees you from the task of today so you can focus more on the promise of tomorrow. If you'd like to submit a topic or appear as a guest on a future episode, email us at [pctytalks@paylocity.com](mailto:pctytalks@paylocity.com).