

# Labor Shortages Drive Innovative Initiatives

Amy Bradford, GROWMARK Corporate Communications Manager [abradford@growmark.com](mailto:abradford@growmark.com)



Labor shortages have been felt in many industries – transportation and logistics, manufacturing, and agriculture. And throughout the GROWMARK System, as local FS cooperatives and retail units struggle to fill key roles. Jessica Ehler, former GROWMARK manager of compliance and employee relations, and Tom Swearingen, former GROWMARK director of talent management, led a task force designed to identify ways to alleviate or resolve the labor challenges.

Ehler explained the types of open positions are like those in broader industries. “CDL truck drivers, applicators, laborers, and skilled laborers are the most difficult to find,” she said.

According to American Trucking Association (ATA), there has been a nationwide shortage of drivers since the late 1980s. The shortage reached a high of just over 81,000 in 2021 and fell to 78,000 in 2022. ATA said the shortage is defined by “the difference between the number of drivers currently in the market and the optimal number of drivers based on freight demand.”



The same holds true for other positions, according to Ehler. “The shortage of labor in operational roles has gotten to the point it is impeding our ability to generate income. The work and sales are there, but we are having a difficult time delivering on the service in some instances.”

Other organizations have launched scholarship programs to pay for CDL training. Others have paid for schooling and training for operational roles in exchange for a multi-year commitment to work for the specific company.

GROWMARK continues to pursue several avenues, understanding that it may take different approaches to fully meet customer needs:

- **Recruiting Activation Plan/Package** – evaluating how to attract labor from sources not traditionally explored, and what it takes to retain operational talent once hired.
- **Community College Pilot** – increased partnerships with select educational



institutions to identify potential employees.

- **Intercompany labor sharing (retail)** – what opportunities might exist to share labor across geographies?
- **Workforce flexibility** - this effort is focused on evaluating different approaches to using our workforce that provide more opportunities for employee flexibility.
- **Automation/Technology** – identify and adopt more automation and technology to reduce the amount of human labor needed to run the business.

One final pursuit: bringing in foreign labor through various visa work programs. There are federal programs currently in place with a pool of workers, like the H2A program. It's possible these workers could fill operational roles at many locations, Swearingen said.

As with any government program, there is a learning curve. To better understand

the petition process and costs associated with a larger number of H2A workers, and to see if employing H2A workers would help meet the customer demands of the System, GROWMARK launched its H2A pilot program.

Two workers at GROWMARK FS-MIDWEST were the first workers under the program. In 2022, 11 H2A workers were employed across three Iowa retail divisions.

H2A workers are temporary (up to 10 months) and are employed full-time of 35+ hours/week with a guarantee of  $\frac{3}{4}$  of that time. The employer must provide housing and furnishings, vehicle, and transportation to/from country of origin.

Ehler and Swearingen said there are some challenges, including the original intent of the H2A program being for farmers. Farmers employ H2A workers as farmhands, helping with planting and harvesting crops, or help with livestock. "Petitioning for H2A workers is more complex as a business when guidance and process was written for a different audience," they said.

What started with two workers at GROWMARK FS-MIDWEST will grow to more than 50 workers this year. GROWMARK hired Heather Bustle to fill the role of Work Visa Specialist and work closely with our agency to petition workers. She also works with HR managers at retail divisions on the petition process and other details associated with employing H2A workers. All GROWMARK retail divisions in Illinois, Iowa, and Wisconsin will have workers starting in March.

Swearingen said the pilot has been well-received by workers and the local employees. "The H2A workers have very positive attitudes and are eager to learn. Retail division employees are grateful to have assistance, and know the intent is not to replace them," he said.

Swearingen said the labor initiatives flowed out of GROWMARK's Strategic Innovation Accelerator (SIA) group last summer. Led by GROWMARK Director of Innovation, Heather Thompson, SIA is composed of GROWMARK staff who meet regularly to brainstorm potential resolutions to company challenges.

