

Copier Careers®

2021 MID-YEAR UPDATE

A Pivot From Disruption to Resurgence

After a year of disruption due to a worldwide pandemic, the trend line is going up. When COVID-19 upended everyday life and work, the Copier Channel faced a turbulent economy and a rapidly changing business environment.

“At this time last year, everyone wondered if office buildings were ever going to be inhabitable again. Was everyone going to work from home?” said Paul Schwartz, president of Copier Careers. “That would dramatically change our clients’ models and revenue streams.”

Last April, the U.S. unemployment rate rose to 14.7%. It was the highest recorded unemployment since the Great Depression, and inside and outside the industry, businesses had to navigate the uncertainty and upheaval the pandemic brought.

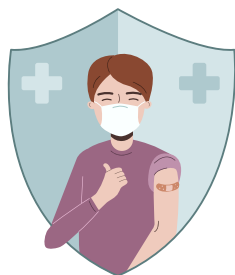
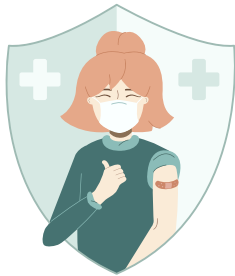
In our online poll last August, 20% of respondents reported they had been furloughed, and another 23% said they had been laid off. Although our poll numbers are anecdotal and not scientifically rigorous, the results reflect broad industry trends. In fall 2020, the trend was definitely down, as we detailed in our year-end [2020 Retrospective](#).

Relief arrived in late 2020 with the advent of COVID-19 vaccines, which sparked optimism about getting back to normal. As infection rates and pandemic deaths decreased, businesses and offices began to reopen.

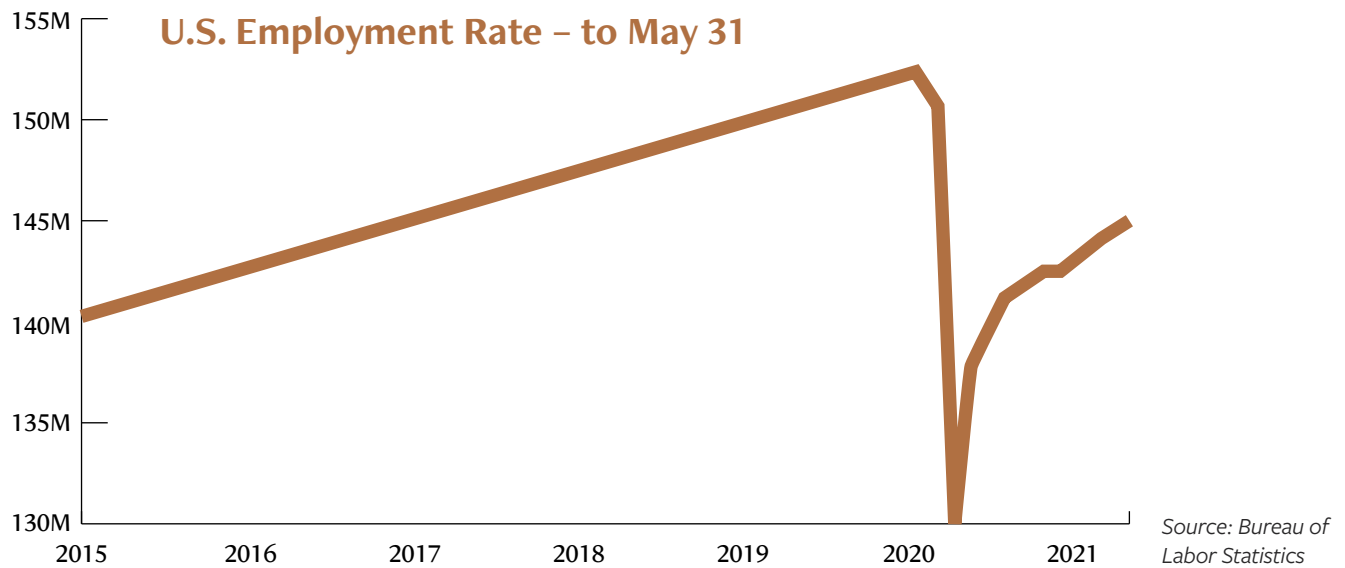
By mid-2021, the Copier Channel was experiencing something akin to whiplash. “It’s not just a recovery, it’s a resurgence,” Schwartz said. “Now, companies are going back to offices, and everything has been so dynamic.”

During the pandemic, the Copier Channel didn’t wait for the other shoe to drop, it pivoted and adapted to the changing landscape. With online polls, newsletters and our industry contacts, we tracked the angle of those pivots and the speed of adapting to a changing world.

Now, it’s full speed ahead, with an increased focus on Managed IT Services and Cybersecurity and more job postings across the industry than candidates to fill them. Certainly, the pandemic has created challenges, but in those challenges lie huge opportunities for the industry.



A whiplash on hiring



- [Job growth picked up nationally](#) in May, with 559,000 positions added, according to the BLS.
- At the end of May, total U.S. employment was at 144.9 million jobs — down 5% compared to February 2020 (pre-pandemic levels).
- The number of unemployed people in the U.S. fell by 496,000 people to 9.3 million, the largest decline since January, **bringing the unemployment rate to 5.8%**.
- The Copier Channel has witnessed a similar recovery, with a great demand for job candidates in mid-2021.

Securing new revenue streams

Crisis has a way distilling what matters. That was the pandemic's effect on many Copier Channel businesses. As much of the workforce began working from home, dealers had to figure out how to serve those changing needs. Instead of break-fix and in-office service, many clients needed help procuring PPE and sanitation products, but the dynamic change was innovating solutions to meet increased demand for Managed IT Services and Cybersecurity.

“Companies realized that to survive they needed to evolve by building up their Managed Services Division,” said Jessica Crowley, senior vice president of Copier Careers, noting that in at least one case, a dealer’s Managed IT Division grew 40% last year, which was a huge pandemic shift. “Obviously, the hardware side has decreased, and this company was able to offer clients Managed Services for remote work. Along with that came Cybersecurity,” she said.

“Managed Services has become a top conversation in our industry in the past 15 to 18 months,” Crowley said. “It also increased demand for people with sales and service expertise.”

It also created a logjam for hiring. Along with job orders for Sales Reps and Service Techs, there is demand for Sales Managers, Service & Ops Managers and Executives to manage the transition and lead companies into a changed business landscape.

Schwartz said that many companies now are acquiring IT service providers and integrating them into their company, thus the need for IT-savvy leadership.

“If you’re strictly selling hardware or scanners, printers and copiers, it’s just a commodity on the end of a network,” he said. “So, dealers are smart to control the entire network, including cloud access and security. It gives them more channels of revenue and helps them grow.”

“Some companies are going to use COVID as an excuse. We are going to use COVID as a reason to evolve.”

– online comment

A resurgent industry needs more boots on the ground

Opportunity abounds in the Copier Channel. Mid-2021 is a time of high demand across all job categories. In what has always been a tight industry, finding great candidates has become even more challenging.

In 2020, there were furloughs across the industry as the nation's economy shut down. Some dealers saw that as an opportunity to make opportunistic hires to position them as the economy reopened. It was a good move and put them in a great spot for recovery.

Schwartz said that now, in many ways, the Copier Channel is much like the 2021 housing market: high demand and low inventory, escalating prices and multiple offers. In the housing market, the need is for sellers, and in the Copier Channel, the urgent need is for qualified job candidates.

The industry has long been challenged by having enough candidates to fill vital roles, but emerging from the pandemic the demand for qualified candidates has grown exponentially. Even though that sounds like a negative, it's actually positive, Schwartz said, because the demand for job candidates is a sign of a thriving industry.

"During the height of COVID, we saw companies accelerate in solutions. At this point, it appears that they've been through the worst," Schwartz said. "Now the question we hear most often is, 'How fast can you find me this person?'"



“My company was not calling back after I was furloughed, so I changed to another company. I had almost five months of furlough and am very happy to be working again.” – online comment

Hiring: You snooze, you lose

The industry's greatest challenge now is a shortage of qualified candidates for all jobs. With the competition for candidates intense, the hiring process has accelerated across the industry. The hard truth on hiring is that if you snooze, you lose. The second hard truth is that your current hiring practices might be part of the problem.

Being part of a resurgent industry requires a nimble process to turn candidates into employees. Gone are the days of seeing multiple qualified candidates for several rounds of interviews. Now, candidates are getting multiple offers and counteroffers — and hiring decisions are made quickly.

"There's a shrinking labor force now," Schwartz said. "This scarcity is forcing businesses to streamline their hiring process to better attract and win over candidates. Employers who are still in shutdown mode need to wake up to this new reality. We've never seen a shift from layoffs to hiring happen so quickly — it's been a huge whiplash."

The changes aren't small, either, Crowley said. They involve structural changes in how companies recruit, interview and hire candidates. "You have to change how you're interviewing," she said. "You have to change how long the process lasts. You have to keep the candidates engaged and interested in the opportunity before they're gone."

Poaching from other industries is also rampant, Crowley said. "The skill sets are very movable, and we are losing people to other industries. So, now you have taken a small pool of candidates and reduced it."

For Schwartz, the solution is clear. "Without a new source of candidates, this job market is only going to get tougher," he said. "Companies are ramping up their operations, and if they're not looking for new employees now, it's going to seriously hinder them."

"Even just to maintain their workforce, employers need to defend against tempting offers being made to their employees. And they need to offer competitive incentives themselves, if they want to grow. Right now, the best defense is a good offense."

Push reset on your hiring practices

In our February newsletter, we outlined “[5 Ways You’re Sabotaging Your Hiring Process](#).” Those tips remain very important in the current labor market. Here are a few tips we see as a shortcut to help with hiring right now:

- **Streamline your hiring process**, because a slow process is likely to make great candidates move on.
- **Ensure your offer is competitive**, because candidates are likely to get multiple offers, and you want to be in the hunt.
- **Make opportunistic hires** in order to fill your bench with qualified pros who can help you meet changing needs.

In mid-June 2021, Copier Careers recruiters had job orders across the board, which has accelerated the hiring process far beyond peak hiring demand before COVID, Crowley said.

“Speed is the No. 1 topic when I talk with potential clients,” she said. “If the biggest thing they want is to secure talent, they have to move.”

Focused on the future

Will there be a time when we think of the industry as Before-COVID and Post-COVID? The pandemic drew big, fat lines between how business worked before, during and after it. How the industry rolls with all those pandemic-induced changes will make a difference long into the future.

“Before COVID, we were preaching that there was a very tight labor market,” Schwartz said. “Now there’s a whole new set of variables in hiring, and you have to be creative in what you offer people. You’ve got to be quick about it.”

Now, add attrition to the shortage of candidates and the surge in need, and the problem becomes more complex.

“We have harped on the need to build a bench for a long time,” Schwartz said. “Now, we’re also seeing a generational shift like we did 30 years ago.”

As skilled professionals across the industry retire, companies are scrambling to fill those positions in addition to the new positions created by surging Managed IT and Cybersecurity business.

“We have more job orders now than we had in the first quarter of 2020,” Schwartz said. “Overall, there’s a shortage of candidates and a huge resurgence of need.”

Building a team by growing it

With finding well-qualified candidates ever more difficult, businesses are looking for other ways to fill positions and continue to grow, Schwartz said. It’s a conversation that he and Crowley are having with clients a lot this year. In fact, some companies are seriously considering finding candidates with aptitude and training them.

“Clients tell me that it’s time they start developing apprenticeship programs, where they hire people without direct experience but a technical background and get them trained and certified,” Schwartz said.

Apprenticeships and training programs would be a significant pivot for the industry, but it could be the fastest way to attract talent, build a strong bench and keep companies evolving, growing and prospering.

The first step is to appeal to a younger generation of potential hires and attract them to an IT-based industry with plenty of opportunity for them to learn, advance and prosper. At the same time, building a bench with experienced pros from within will also give companies a competitive edge.

“You’ve got to invest in your people, because it is investing in your company,” Schwartz said. “It’s investing in your future.”



Insights from a pandemic year

In a year that has been like no other, we asked people in the Copier Channel to share their experiences and insights into the changes to their work life and how well their company navigated through the turbulent pandemic world. Some quotes were edited for space, and all comments are from our online monthly polls or responses to newsletter articles. Thanks for your input!

“It may not be until fall, but things will bounce back. ... The business model, especially in downtown areas, has been shaken, but our economy has the flexibility and innovative spirit to bend but not break.”



“Our owners were able to classify us as essential communications workers, which exempted us from closure. ... This kept us open during the lockdown. ... Since opening to phase 3, sales have been robust. We are one of the lucky ones that had no layoffs or furloughs.”

“Our executive operations were very proactive in managing government and financial continuity contingencies, resulting in no furloughs or layoffs. ... We kept our customers satisfied, and sales are again building.”

“Leadership has to step up to the plate and realize that this pandemic really shows that if you cannot pivot, you will perish.”

“2020 was a year like no other. We have learned to WFH more efficiently, contact clients in new ways, listen to new needs/goals which were never there pre-COVID. ... If we use what we learned from 2020, we can make 2021 much better.”

“My advice? Learn to pivot. ... Downsize the physical office for employees that must do the physical work while staying in touch with remote employees.”

“On a weekly basis, we have seen candidates get multiple offers, including a counteroffer from their current employer. Honestly, it’s like the housing market right now.”

– Paul Schwartz

The light after the storm

It’s probably safe to say that there is never a slow year or a dull day in the Copier Channel industry, and 2021 is turning out to be a very interesting year — interesting in a good way.

Clearly, the pandemic opened some fault lines within the industry. The most critical of these is the need to streamline hiring practices across the industry and build a better pipeline to bring in new talent and critical skills.

As it has done over the past three decades, the industry has faced a difficult situation and a challenging landscape in 2020. But it didn’t stop. It adapted, then seized opportunities and accelerated into new territory.

“I have never seen such a scramble,” Schwartz said. “This is an unusually accelerated cycle, so it makes sense that some folks are feeling a bit of whiplash and looking for ways to bring fresh talent to the industry.”

That accelerated cycle has created challenges and growth. It offers industry leaders a choice: Commit to increasing the candidate pool with training and apprenticeship programs or continue casting into a shrinking pool of candidates and coming up empty.

Imagine how much the industry could grow if it were not always bogged down in candidate searches and hiring. As the industry found ways to address changing needs during the pandemic, it must continue to innovate, adapt and accelerate to get a firm foothold in the post-pandemic world. That means filling open jobs and moving forward.

The incredible growth of Managed IT Services and Cybersecurity has made dealerships an even more critical and trusted partner for their clients. But to maintain and expand that relationship will require finding bench strength.

“Many of our clients are becoming real IT solutions providers, but they’re still based around a copier dealership,” Schwartz said. “The biggest strength of the industry is their connection and relationships with their clients. They’re already there. They’re already trusted, and they find solutions to problems.”

In a post-pandemic economy, it is time to build on that bond and work on staffing solutions to keep those client relationships strong, because the future is bright for our innovative and adaptable industry. -CC

Keeping up in 2021

[Five Reasons to Hire Managed IT Professionals Now](#)

[Five Ways You’re Sabotaging Your Hiring Process](#)

[How Hiring Changed During COVID](#)

[Jumpstart Your Job Search](#)

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