

Job Growth in March Tips Toward 100,000 Unemployment Drops to Lowest Point in Nearly 10 Years

JOB GROWTH: March saw the addition of 98,000 jobs, which, while moderately positive, is significantly lower than the previous two months (even after both months were revised downward by a total of 38,000). The three-month average monthly job growth figure of 180,000 remains strong.

TOP INDUSTRIES: In March, the most significant gains were recorded in professional and business services and mining. The retail sector saw a slowdown in job creation, reflecting previously announced store closings, as traditional retailers struggle to compete with online shopping.

UNEMPLOYMENT: The unemployment rate dropped by two-tenths of a percent to 4.5 percent in March—the lowest level in nearly a decade—lowering the number of people considered unemployed by 326,000.

WAGES: Wages rose in March, changing the annual average hourly increase to 2.7 percent.

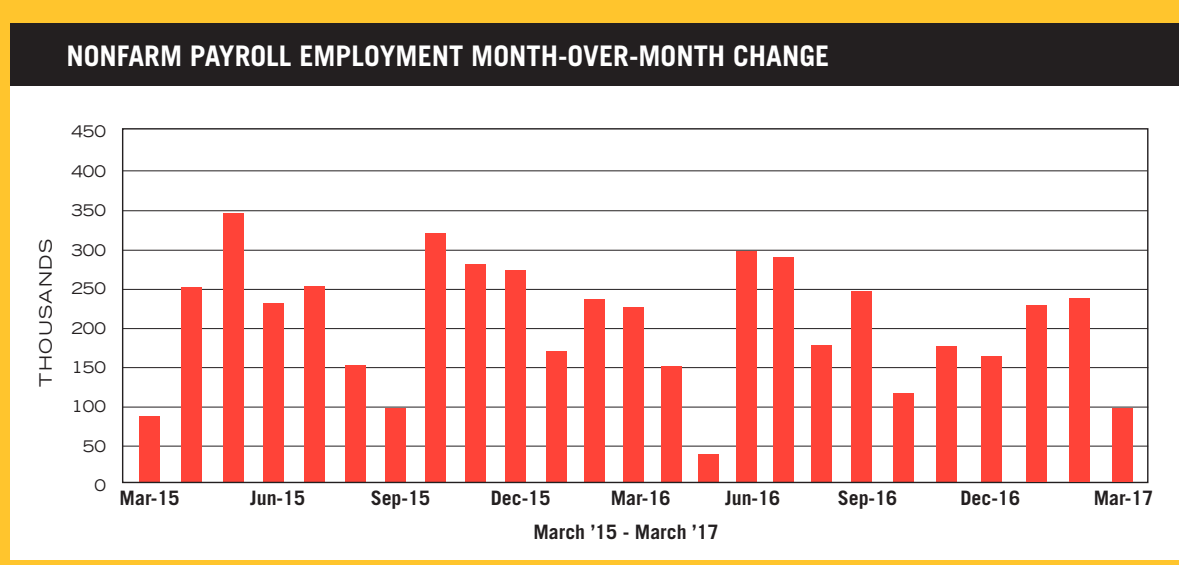
WORK WEEK: The average work week remained unchanged at 34.4 hours.

TEMPORARY JOB TRENDS: Following an upward revision in temporary job growth in February, March added another 10,500 new positions. This positive momentum generated a year-over-year growth rate of 3.82 percent in March, the highest rate since July 2015.

WHAT DOES IT ALL MEAN? With job growth down considerably from the previous two months, March might be considered a signal of a weakening economy. While some of the slowdown could be attributed to unusual weather, this may all simply be a natural and expected tightening of the labor market as we move into full employment mode. On a positive note, unemployment is down and wage growth is up. Taken together, these factors indicate continued challenges to employers looking to grow their businesses but having difficulty finding the skilled job candidates they need.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, Bloomberg, CNBC, Business Insider, The Washington Post, CNN Money, Kiplinger, HotAir, Associated Press, Staffing Industry Analysts

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



Job growth moderated in March, with a gain of 98,000 new jobs.



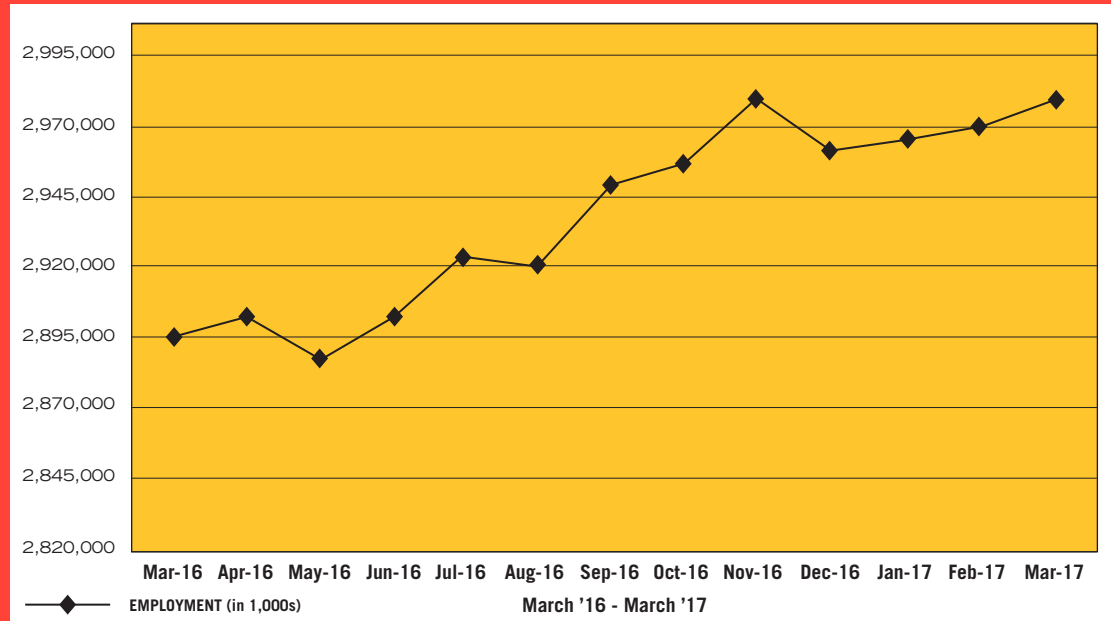
CHART 2: TOP INDUSTRIES / SOURCE: BLS

Total nonfarm jobs increased by 98,000 in March 2017, with moderate gains across most sectors.



SECTOR GAINS	JOB INCREASE
Professional & Business Services	+56,000
Healthcare & Social Assistance	+16,700
Manufacturing	+11,000
Leisure & Hospitality	+9,000
Financial Activities	+9,000
Transportation & Warehousing	+3,500
SECTOR LOSSES	JOB DECLINE
Retail Trade	-29,700

CHART 3: TEMPORARY WORKFORCE / SOURCE: BLS & STEINBERG EMPLOYMENT RESEARCH



Temporary help services gained 10,500 jobs in March, nearing milestone penetration of 3 million.



Grooming Tomorrow's Leaders Today

While the looming Boomer exit may have been ignored for years, it's clearly upon us. In fact, Millennials now outnumber Baby Boomers in the workforce. Not surprising then that a majority of employers have upped their focus on generational-driven succession planning. It is one of many issues Spherion® investigated in its Emerging Workforce® Study, finding fully three-quarters of employers recognize that they face a major skills gap due to the Boomer exodus. Nearly everyone is now actively pursuing Gen Y to secure their future. And while Gen Z was barely on anyone's radar until recently, more than half of the employers we surveyed recognize the importance of this newest cohort as well.

Employers face some unexpected challenges in developing younger workers. Most believe their youngest workers have neither the emotional skills nor the business and life experience required for leadership positions. Whether the next generation of leaders is largely unprepared to lead in terms of their current capabilities may be a moot point, as they are also the source of the highest turnover rates in most organizations, compounding the challenge.

What can employers do? They need to decide how to identify leadership potential, where to focus their development efforts and how to ensure learning programs appeal to workers who expect easy accessibility to fast-paced and fun experiences with frequent feedback and recognition. Before all that, however, they need to attract the right kind of talent and ensure they are highly engaged. Doing those two things right increases the likelihood that high-potential leadership talent will stick around long enough to lead.

CHART 4: FOCUS ON SUCCESSION PLANNING / SOURCE: 2016 SPHERION EMERGING WORKFORCE STUDY

As leaders retire, employers look to younger generations

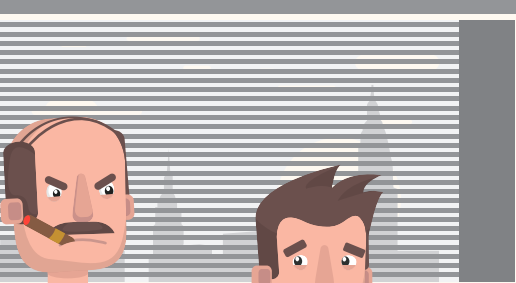
- 77%** believe exiting Boomers will leave a major skills gap
- 56%** have increased succession planning in response to Boomer retirements
- 54%** have a formal succession plan in place



Emergent employers are preparing more aggressively for succession:

74% have a formal succession plan in place

CHART 5: EMPLOYERS WORRIED / SOURCE: 2016 SPHERION EMERGING WORKFORCE STUDY



Employers have little confidence in younger workers' readiness to lead

- 79%** believe younger workers lack the business and life experience required for leadership positions
- 75%** believe younger workers have the required IQ to perform their jobs, but often lack the emotional quotient to do their job well
- 72%** believe younger workers lack the people skills required for leadership positions

CHART 6: EMPLOYEE READINESS / SOURCE: 2016 SPHERION EMERGING WORKFORCE STUDY

Do young workers feel ready?

NO! Nearly half of younger workers desire more training – both basic and managerial

- 43%** want significantly more managerial training and coaching
- 41%** believe their current job skills fall short of what will be required in future positions
- 38%** don't feel their current job skills will help them attain a promotion

