

This month's "Spotlight" topic:

There is More to the Skills Gap than Technology

2017 Added 2.1 Million Jobs and Ended with Unemployment at its Lowest Level in 17 Years

JOB GROWTH: December job growth reached 148,000, lower than the previous month, but capping a fourth quarter where monthly job growth averaged 204,000.

TOP INDUSTRIES: The strongest job gains in December were scored in healthcare, construction and manufacturing. Retail took the biggest hit.

UNEMPLOYMENT: The unemployment rate was unchanged at 4.1 percent—still at its lowest level in 17 years.

WAGES: The average hourly earnings rate edged up again in December, although the annual average remained at 2.5 percent for the year.

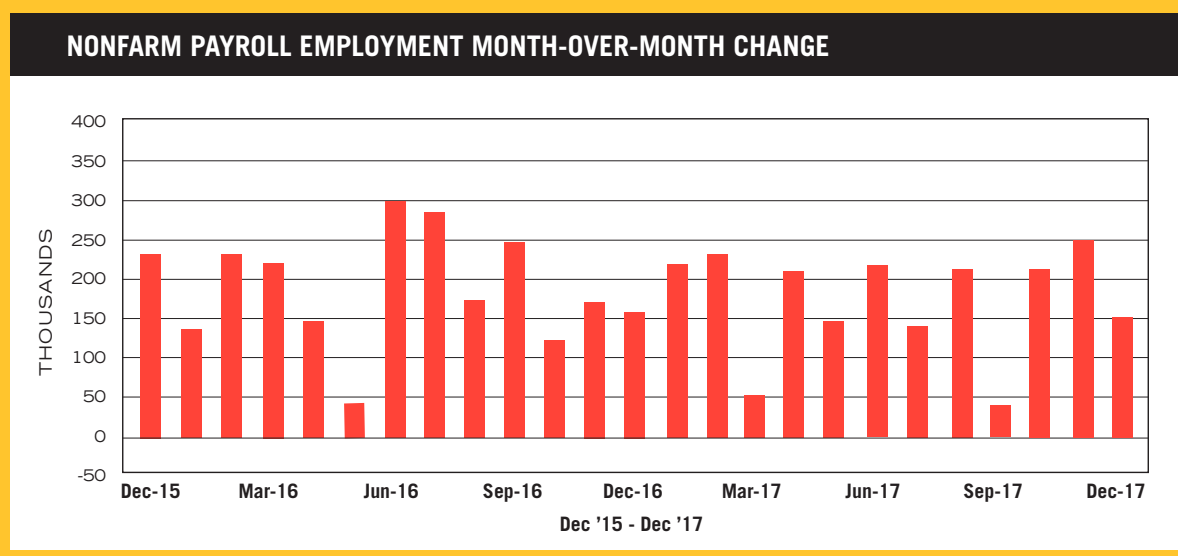
WORK WEEK: The average work week in December was unchanged from November at 34.5 hours.

TEMPORARY JOB TRENDS: Activity in the temporary jobs sector slowed in December to 7,000 jobs. For the year, growth reached 4.6 percent. The temporary share of the total employment market edged up to 2.1016 percent, trending ahead of the previous year.

WHAT DOES IT ALL MEAN? The U.S. economy had a strong 2017, adding 2.1 million jobs in the past 12 months. Although many economists predict slower growth as we move through 2018, continuing positive momentum, along with a booming stock market, offer strong signals for sustained growth. Wage stagnation remains the vexing low point in a primarily positive outlook. As the economy expands further, employers can expect little relief from ongoing challenges in finding and keeping high-value workers.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, Associated Press, The Atlantic, The Wall Street Journal, CNN/Money, Staffing Industry Analysts, FITSNEWS, The Conference Board

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



December job creation slowed somewhat to 148,000 but capped a year of strong growth.



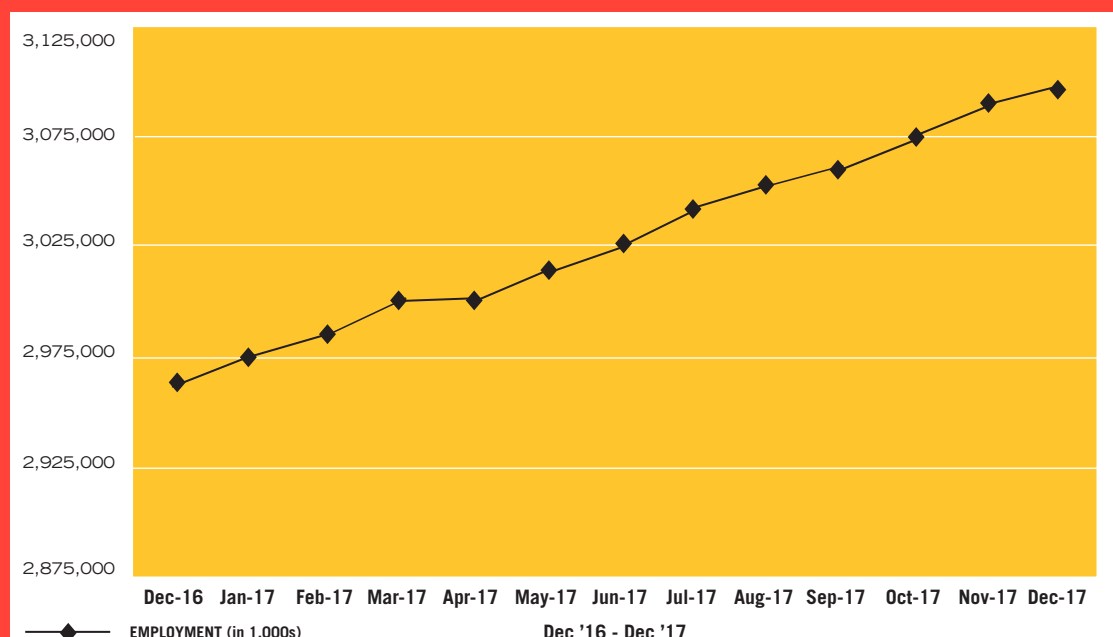
CHART 2: TOP INDUSTRIES / SOURCE: BLS

Job growth in December, though less robust than November, trended positively in most highlighted sectors.

SECTOR GAINS	JOB INCREASE
Healthcare & Social Assistance	+29,200
Leisure & Hospitality	+29,000
Manufacturing	+25,000
Professional & Business Services	+19,000
Financial Activities	+6,000
Transportation & Warehousing	+1,800
SECTOR LOSSES	JOB DECREASE
Retail Trade	-20,300



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



Temporary job growth slowed to 7,000 in December, but year-over-year growth hit 4.6%.



There Is More to the Skills Gap than Technology

Technology has transformed the world of work, boosting productivity and making it easier to get work done. Using technology, however, has brought with it challenges for both employees and employers in terms of a growing skills gap.

Finding qualified STEM professionals was the talent issue most concerning to employers, according to the Emerging Workforce® Study, commissioned by Spherion. However, it was followed closely by the need for training.

The American Action Forum says the U.S. will be short 1.1 million STEM workers by 2024. Not every role requires a STEM degree, however. A Georgetown University study found that nearly half of STEM degree holders find employment in non-STEM fields that prize their strategic thinking and problem-solving skills. These two non-technical, "softer" skills were also high on the list of those both employees and employers believe will be needed in the future, as reported in the Emerging Workforce Study. Rather than technical disciplines, the most desirable skills are often acquired more through experience than traditional learning structures. With younger generations dominating the workforce, employers need to figure out how to compress that experiential learning cycle in some way to bring younger employees up to speed as quickly as possible.

Although costs associated with that training can put a dent in operating expenses, workers equipped with the skills needed to do their jobs can work more productively. Without the frustration of feeling left behind, skill-wise, workers will be more engaged and satisfied as well. Training may not be an obvious retention driver, yet employees expect employers to provide training to help them do well in their current role and prepare them for their next.

CHART 4: TECHNOLOGY & TALENT / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY



CHART 5: FUTURE SKILLS / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY



CHART 6: CURRENT SKILLS GAP / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY

