

This month's "Spotlight" topic:
How Young Is Too Young to be the Boss?

Employment Growth Surges Above 300,000 to Close Out the Year

Unemployment Moves to Higher Rate of 3.9 Percent

JOB GROWTH: The pace of job growth in the final month of 2018 nearly hit a record for the year at 312,000. Following upward revision of the previous two months' numbers, which yielded an additional 58,000 jobs, the average monthly gain over the past three months was a healthy 254,000.

TOP INDUSTRIES: The top sectors for growth in December included healthcare, hospitality, construction, manufacturing and retail.

UNEMPLOYMENT: After holding steady for three months at a record low rate, the unemployment rate inched up by 0.2 percentage point to 3.9 percent in December. Although higher unemployment is typically a negative, in this case, it is actually a sign of greater optimism as more people chose to leave the sidelines to look for work. Until they find employment, however, they will swell the overall size of the labor pool but not the numbers of employed workers.

WAGES: Hourly earnings trended up again, moving the average annual rate up to 3.2 percent.

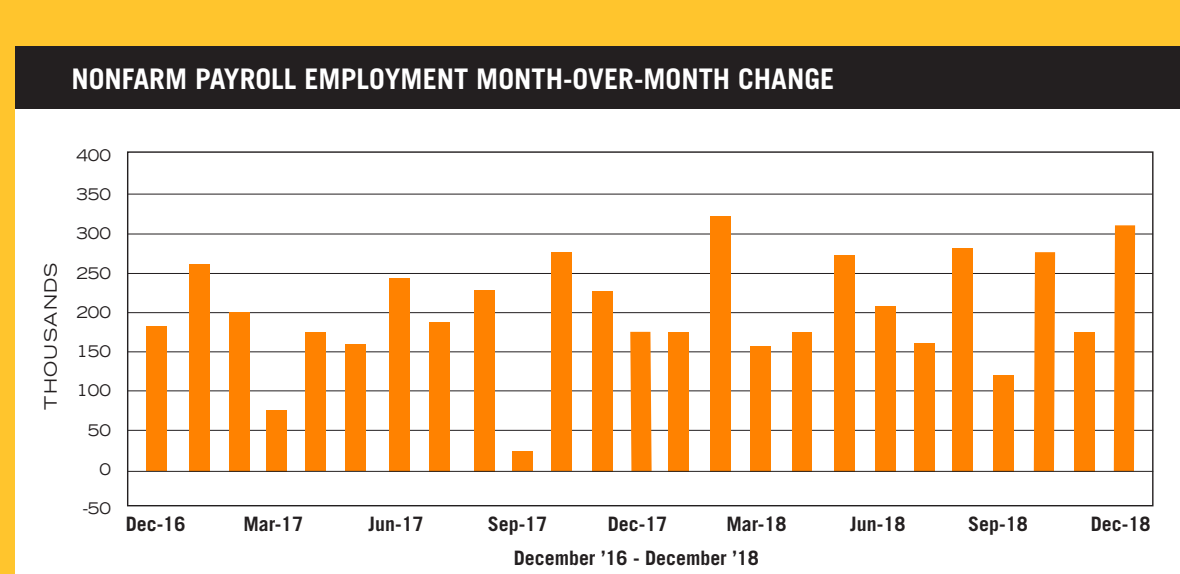
WORK WEEK: The average work week increased by 0.1 hour to 34.5 hours in December.

TEMPORARY JOB TRENDS: The temporary jobs sector experienced its sixth consecutive month of growth, adding 10,300 jobs in December. Year-over-year growth in this sector increased from 2.1 percent in 2017 to 3.2 percent in 2018, edging the temp penetration rate to its highest level ever at 2.0609 percent.

WHAT DOES IT ALL MEAN? December brought surprisingly good news and lots of cheer, despite warnings by those sure they see brake lights ahead. Job growth far exceeded expectations and wages were up as well. Those are unquestionably strong indicators of business optimism and solid growth. Although January could tell a different story, for right now, the outlook is bright. The far-off storm clouds that could threaten all this good news? A global economic slowdown and rising interest rates on the horizon could put a damper on this optimistic picture for 2019. What has not slowed down at all is the mounting challenge of an ever-tightening talent supply chain, as employers continue to struggle to fill jobs to support growth.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, CNBC, Staffing Industry Analysts, Bloomberg, The Wall Street Journal, The New York Times, USA Today, Associated Press, Reuters, FOX Business, MarketWatch, MSNBC

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



Job growth surged in December, closing out 2018 with 312,000 new jobs.



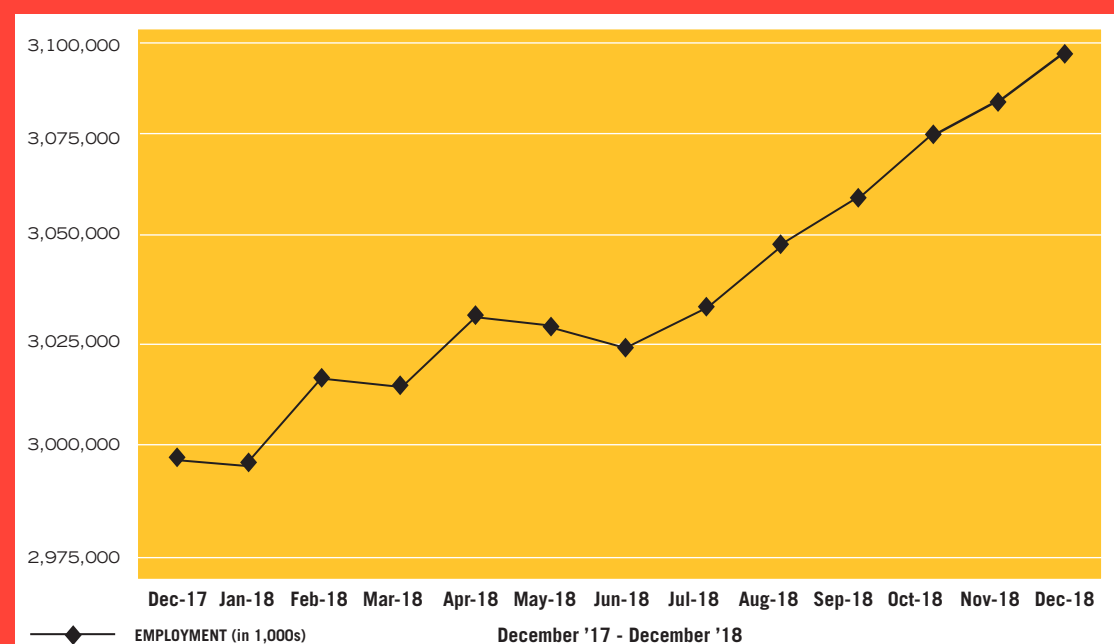
CHART 2: TOP INDUSTRIES / SOURCE: BLS

Employment increased by 312,000 in December, with continued strong momentum across most key sectors.



SECTOR GAINS	JOB INCREASE
Healthcare & Social Assistance	+57,900
Leisure & Hospitality	+55,000
Professional & Business Services	+43,000
Manufacturing	+32,000
Retail Trade	+23,800
Transportation & Warehousing	+2,200

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



Temporary help services added 10,300 jobs in December, raising the temp penetration level to its highest ever.



How Young Is Too Young to be the Boss?

Setting a new historic precedent, the House of Representatives recently welcomed the youngest woman to serve in Congress in the history of the United States. With the Millennial generation set to become the largest of all generations this year, it is not only government that is seeing an influx of leaders who are often far younger than those they lead. The big question for these new leaders and those that employ them: are they ready?

Not according to the Emerging Workforce® Study, commissioned by Spherion. Our respondents continue to express concerns that younger workers are largely unprepared for leadership roles, lacking business and life experience and the people skills required to lead.

Employers aren't the only ones worried about who can assume the mantle of leadership; employees have their own concerns about how well-equipped they are to advance their careers. In fact, research by leadership consultancy Zenger Folkman found that, on average, first-time managers can serve in leadership roles for up to 10 years before ever receiving any leadership training. Without more training, including earlier managerial training and coaching, the newest crop of leaders will be ill-equipped to lead. Younger workers worry about skill gaps that hamper their ability to do their current job as well as prepare them for the next step in their careers.

With increasing Boomer exits further tightening the talent pipeline, employers must boost investments in training and development for their youngest workers. Doing so will help ensure they have the skills, the knowledge and the wisdom to perform to the best of their ability today and move their careers forward as they take on greater responsibilities in the future, because leadership is not necessarily a function of age but of capability to innovate, to coach, to inspire. Good leaders, regardless of age, not only boost performance, they can be an excellent hedge against high turnover.

CHART 4: MILLENNIAL LEADERSHIP READINESS / SOURCE: 2018 SPHERION EMERGING WORKFORCE STUDY

Employers worry Millennials are not ready to lead

What employers say Millennial employees need



CHART 5: MILLENNIAL WORRIES / SOURCE: 2018 SPHERION EMERGING WORKFORCE STUDY

Millennial workers recognize skill gaps that can derail career progression



CHART 6: MILLENNIAL MANAGERS AT RISK / SOURCE: 2018 SPHERION EMERGING WORKFORCE STUDY

Millennials want more training to do their jobs and advance their careers

