

This month's "Spotlight" topic:
The State of the Skills Gap

136,000 New Jobs Created in September Unemployment Breaks 50-Year Record

JOB GROWTH: Look quickly and you might think there was no change from one month to another, with August growth initially reported at 130,000 and September growth at 136,000. However, the August figure has been revised upward to 160,000, showing the current month at a slight disadvantage.

TOP INDUSTRIES: Growth in September held no big surprises, with the strongest gains in healthcare and professional and business services.

UNEMPLOYMENT: The unemployment rate finally broke through the barrier to reach the same low level it had recorded 50 years ago—3.5%.

WAGES: After a good bump in the previous month, wage growth remained fairly steady in September, with average hourly earnings for the year at 2.9%.

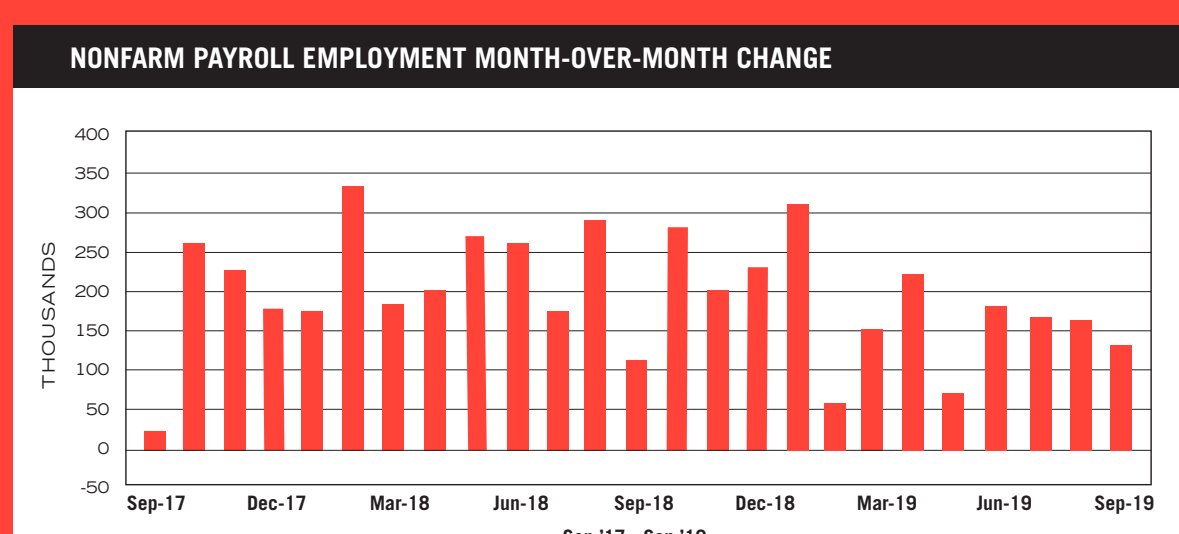
WORK WEEK: The work week was unchanged in September, with average hours steady at 34.4.

TEMPORARY JOB TRENDS: The temporary help sector added 10,200 new jobs in September.

WHAT DOES IT ALL MEAN? With hiring less robust this year than last, economists fear a coming recession, due in part to global economic conditions and uncertainty about trade talks with China. Job growth activity is still solid, downplaying other less than positive news circulating in the past week about weakness in manufacturing and the services sector. The big news this month is undoubtedly the drop in the unemployment rate to a level not seen in the past 50 years. Good news for workers but less so for employers, who continue to struggle to fill open positions in a labor market that is draining talent off the sidelines for the first time in recent years.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, CNBC, MSNBC, Business Insider, USA Today, FOX News, Staffing Industry Analysts

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



The labor market added 136,000 new jobs in September.



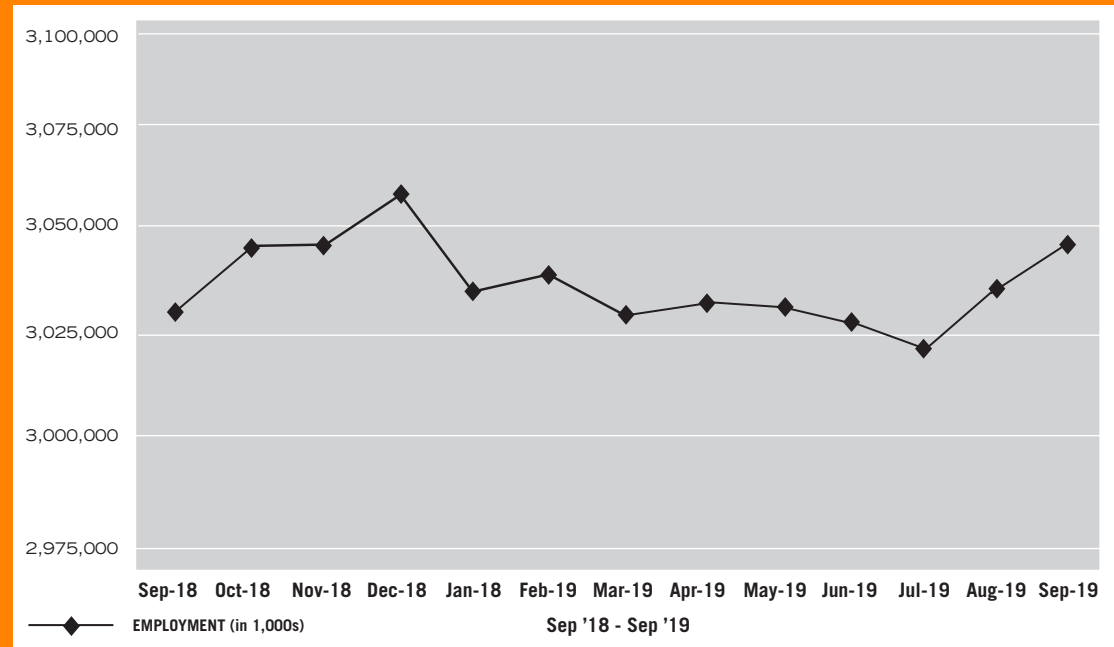
CHART 2: TOP INDUSTRIES / SOURCE: BLS

Job growth of 136,000 in September was led by healthcare and professional services.



SECTOR GAINS	JOB INCREASE
Healthcare & Social Assistance	+41,400
Professional & Business Services	+34,000
Leisure & Hospitality	+21,000
Transportation & Warehousing	+15,700
SECTOR DECLINES	JOB DECREASE
Manufacturing	-2,000
Retail Trade	-11,400

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



The temporary help sector recorded 10,200 new jobs in September.



The State of the Skills Gap

The state of talent remains in a state of near crisis, with millions of unfilled jobs and clear gaps between what workers know today and what they need to know, not only in the future but right now. As qualifications grow increasingly sophisticated, everyone has worries about being left behind.

The 2019 Emerging Workforce® Study, commissioned by Spherion, found employees are feeling more confident about their skills today than they were last year; however, few think their current skills are enough to help them attain a promotion and even fewer believe their employers provide adequate training to help them keep their skills up to date.

Both employees and employers named problem-solving, interpersonal skills and strategic thinking as the top three skills required for the future. These are primarily skills we acquire 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 employees up to speed as quickly as possible.

One obvious way to close skills gaps is internal training. Companies devote a lot of time, effort and money to corporate training—often with mixed results. Training must be relevant, timely and supported. When workers complete training, they must have the right supervisory support, the opportunity to practice and the freedom and encouragement to apply their new skills.

A growing number of employers are partnering with high schools and colleges to influence curricula to ensure it more closely matches employer needs, so graduates are better equipped for the jobs in highest demand.

The speed with which technology advances is an ongoing challenge that has transformed the acquisition of knowledge from an event to a process of continuous learning. With the lowest unemployment rate in 50 years, employers must be both creative and aggressive in pursuing new ways to fill the growing skills gap to remain competitive.

CHART 4: SKILLS IN DEMAND / SOURCE: 2019 SPHERION EMERGING WORKFORCE STUDY

Employers and employees agree about skills needed today... and tomorrow

Top 3 skills needed right now

Top 3 skills needed in the future

Problem-solving	Problem-solving
Interpersonal skills	Interpersonal skills
Strategic thinking	Strategic thinking



CHART 5: WORKERS WORRIED / SOURCE: 2019 SPHERION EMERGING WORKFORCE STUDY

One-third of workers say current job skills fall short of future requirements

ALL WORKERS

GEN Z

MILLENNIALS

34%

41%

56%

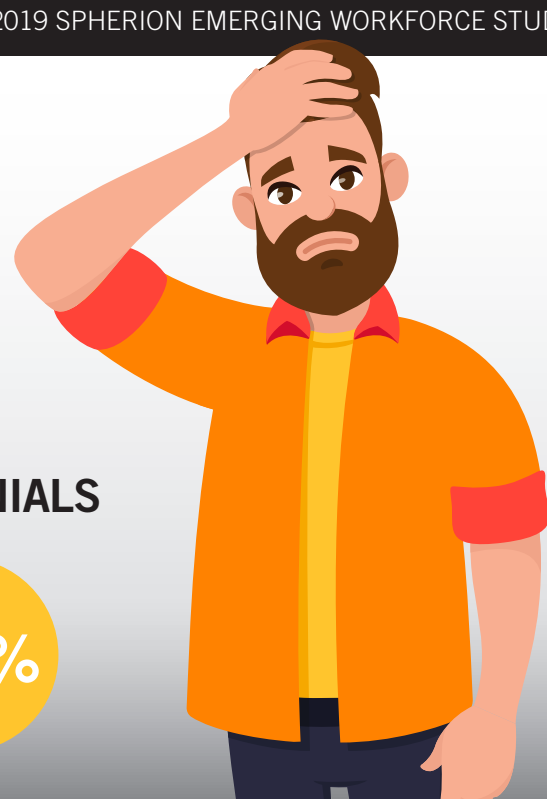


CHART 6: ARE EMPLOYERS DOING ENOUGH? / SOURCE: 2019 SPHERION EMERGING WORKFORCE STUDY



The types of training on offer do not apply to my specific skill set

ALL WORKERS

MILLENNIALS

GEN Z

46%

53%

67%