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For Immediate Release

Labor Day Survey Shows Labor Harder to Find

MORE THAN THREE-QUARTERS ATTEST TO GROWING TALENT SHORTAGE

CHICAGO, August 26, 2014 -- While some metropolitan areas are still struggling to create jobs, a growing number of cities and employers are beginning to face the one downside of continued economic expansion: labor shortages.

For long-time job seekers still struggling to find employment, the idea of labor shortages may seem laughable, but in a new survey 77 percent of human resource executives polled said their companies were having difficulty filling open positions due to a shortage of available talent.

“Despite a slow and uneven recovery, the economy has finally regained the 8.7 million jobs lost due to the Great Recession and the national unemployment rate has fallen to just over six percent. Many cities are already at full employment, with jobless rates well below five percent. With monthly job gains expected to remain steady in the foreseeable future, unemployment will keep falling and the competition for workers will keep growing,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas, Inc., the global outplacement consultancy that conducted the survey.

Workers with technology skills appear to be the toughest to find, according to the survey of approximately 100 human resources executives in a variety of industries nationwide. Forty-five percent of respondents said they were having the most difficulty filling technology and technical job openings; a broad category that could include anything from software engineers to medical technicians.

“It’s not just the tech firms like Microsoft and Google that need people with these skills. Virtually every industry is technology dependent in one way or another and they all need workers who can manage, operate and repair that technology,” said Challenger.

“And, this is really just the beginning of the problem. As nearly 91 percent of respondents noted, if the economy continues to expand at its current rate, the war for talent will get worse. One need only look at the most recent data from the U.S. Bureau of Labor Statistics to see that employment situation is improving monthly,” he added.

Over the last year, payrolls have grown by an average of 214,000 new jobs per month. Since February, though, that pace has quickened to an average of 244,000 new jobs created each month.

In May, the number of Americans on US payrolls finally returned to pre-recession levels, surpassing the 138,365,000 employed in January 2008. That was the last month to see payroll gains before 23 months of consecutive months of job losses stripped the economy of nearly 8.7 million jobs.

In addition to the increased hiring, the number of job openings is also on the rise. In June, the latest month for which data, is available, employers reported having 4,671,000 job openings at the end of the month.

Some areas of the country are already near full employment. As of June, there were 74 metropolitan areas with an unemployment rate below 5.0 percent, which is considered by many to be the natural rate of unemployment.

However, the struggle to find workers does not exist only in those areas with low unemployment. An article appearing last month in [Crain's Detroit Business](#) described the growing competition for accountants in the city that is still experiencing 9.2 percent unemployment. The dearth of available talent in this particular profession has some accounting firms offering current employees \$5,000 referral bonuses, according to the article.

Finance jobs were the second leading job category facing talent shortages in the Challenger survey, with 30 percent of respondents indicating these positions were toughest to fill.

Like some of the Detroit accounting firms, about 36 percent of survey respondents are offering referral bonuses to existing employees. Another 36 percent are trying to attract out-of-town talent by offering relocation assistance.

Surprisingly, about half of those surveyed said their companies are not yet offering any special incentives to attract candidates. That may soon change, however, if labor shortages continue to worsen as most predict.

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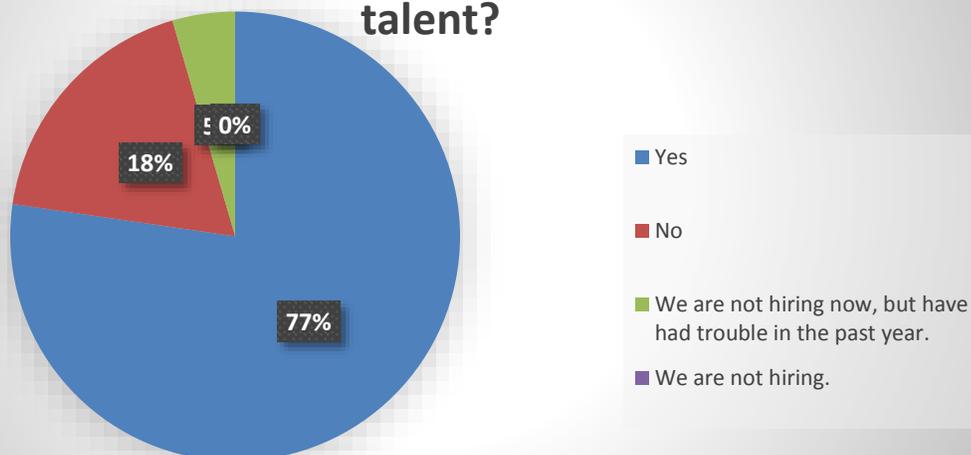


2014 CHALLENGER LABOR SHORTAGE SURVEY RESULTS

Has your company had any difficulty filling open positions due to a shortage of available talent?

Yes	77.3%
No	18.2%
We are not hiring now, but have had trouble in the past year.	4.5%
We are not hiring.	0.0%

Has your company had any difficulty filling open positions due to a shortage of available talent?



Are there specific job categories that are particularly difficult to fill?

Technology/Technical	45.0%
Finance	30.0%
Manufacturing	20.0%
Management	5.0%

Are you offering any special incentives to attract high quality talent?

No	50.0%
Referral bonuses	36.4%
Relocation Assistance	36.4%
Signing Bonuses	22.7%
Other	9.1%

Assuming the economy continues to expand, do you believe that labor shortages will continue to worsen?

Yes	90.9%
No	9.1%

