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For Immediate Release

Job Seeker Confidence Index

44.2% LOST WORK DIRECTLY DUE TO COVID; MORE SEEKERS THINK IT WILL TAKE OVER ONE YEAR TO FIND EMPLOYMENT

CHICAGO, January 12, 2020 – More job seekers entered the New Year out of work, as over 44% of respondents lost work directly due to the COVID-19 pandemic, according to survey results released Tuesday by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

During its annual Career Help Hotline, Challenger surveyed 363 callers located across the nation by phone on December 28th and 29th. Of those, nearly 69% were unemployed, up from 56% of callers who were unemployed in 2019, when 367 callers were polled, and 49% of the 414 callers who reported they were unemployed in 2018.

“Callers to our 2020 hotline were concerned with multiple issues. Many job seekers are looking to transfer their skills to new industries, some are concerned their age will deter hiring managers, and others need help navigating difficult bosses in a year when diversity and inclusion is more important than ever,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

“One thing was clear: There is a lot of pain occurring right now. Many callers reported they were out of work for the first time in their lives and had no idea how to even get started with the process,” he added.

Over 50% of unemployed callers have been out of work between four and 12 months, according to the survey. Another 27% have been out of work for over a year, while 22% have been unemployed for one to three months.

Job seekers were optimistic they would find new employment in the first quarter of this year. Over 33% responded they believed they would find new roles in one to three months, while 31.76% said it would take four to six months. Job seekers were somewhat less optimistic than last year, however, with 12% reporting they believe it will take over a year to find new employment, up from 7% in 2019.

How long do you think it will take to find a new position?	2020	2019	2018
1 – 3 Months	33.11%	34.2%	33.1%
4 – 6 Months	31.76%	38.34%	44.9%
7 – 9 Months	13.51%	10.88%	12.6%
10 – 12 Months	9.46%	8.88%	4.7%
More than a year	12.16%	7.77%	4.7%

Fewer employed callers categorized themselves as underemployed in 2020: 33% of employed callers said they were underemployed, compared to 47% who reported the same in 2019.

“In 2019, amid a tight labor market and low unemployment, workers who perhaps could not find a full-time role could likely find part-time or freelance work. In 2020, this work was harder to come by, as consumer spending dried up and companies made cuts,” said Challenger.

More callers cited ageism as the most difficult part of the job search last year than in 2019: 4.7% of respondents worried age may impede their prospects, compared to just 1.3% who said the same in 2019.

“Networking” and “getting interviews” were cited most often as the parts of the job search that seekers found most difficult, with 22% of respondents each. Over 19% reported that finding job openings was the most difficult part, while 17% found preparing their resume was the most difficult aspect of the job search.

Job seekers reacted to the Trump Administration with mostly uncertainty when it came to their career prospects. In 2016, just after President Trump’s election, 29% of respondents believed his administration would benefit job seekers in the coming year, while 53% were unsure. The following year, half of respondents were unsure and 17% believed he would be beneficial. In 2018, 57% were unsure, while 15% said his administration would benefit job seekers.

Do you think President Trump will benefit job seekers?	2018	2017	2016
Yes	15%	17%	29%
No	28%	33%	18%
Not sure	57%	50%	53%

In the 2019 survey, Challenger asked if job seekers believed there would be a downturn in 2020, and just 10% responded in the positive and 61% were unsure.

Do you think there will be a downturn in 2020?	2019
Yes	10.38%
No	28.96%
Not sure	60.66%

"At the end of 2019, the biggest indicator of a downturn was a natural market correction and a slowdown in job creation and business spending. In December 2019, very few could have foreseen the Depression-level hit the labor market took in 2020 due to the pandemic," said Challenger.

"In 2021, the market recovery will depend almost completely on the efficiency with which the vaccine is distributed and administered. Many small businesses will be unable to outlast a drawn-out process, especially with delayed stimulus relief from the federal government," he concluded.

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Note: In 2016, Challenger surveyed 241 callers. In 2017, Challenger surveyed 232 callers.



2020 Survey Results

Did you lose work directly due to COVID-19?		2020		
Yes		44.24%		
No		55.76%		
Gender	2020	2019	2018	
Female	43.60%	58.30%	60%	
Male	46.90%	46.27%	40%	
Are you employed?		2020	2019	2018
No		68.90%	56.22%	49%
Yes		31.30%	43.78%	51%
If employed, are you underemployed?		2020	2019	2018
Yes		33.30%	47.22%	59%
No		66.70%	52.78%	41%
If unemployed, how long have you been out of work?		2020	2019	2018
1 – 3 Months		22.48%	29.50%	36.4%
4 – 6 Months		27.13%	25.90%	27.2%
7 – 9 Months		14.73%	10.07%	7.5%
10 – 12 Months		8.53%	2.88%	5.2%
More than a year		27.13%	31.66%	22.7%
How long do you think it will take to find a new position?		2020	2019	2018
1 – 3 Months		33.11%	34.20%	33.1%
4 – 6 Months		31.76%	38.34%	44.9%
7 – 9 Months		13.51%	10.88%	12.6%
10 – 12 Months		9.46%	8.88%	4.7%
More than a year		12.16%	7.77%	4.7%

Most Difficult Part of the Job Search*	2020	2019	2018
Finding job openings	19.40%	19.03%	27.2%
Getting interviews	21.55%	23.01%	21.1%
Other	12.93%	6.11%	19.5%
Networking	21.55%	18.34%	12.5%
Interviewing well	10.34%	9.17%	6.7%
Changing jobs	0.00%	0.00%	6.5%
Preparing the resume	17.67%	14.85%	6.0%
Ageism	4.74%	1.31%	3.2%
Filling out applications	3.88%	3.93%	2.3%
Dealing with rejection	5.60%	4.80%	2.1%
Finding full-time work	0.00%	0.00%	1.9%

Source: Challenger, Gray & Christmas, Inc. ©