



ManpowerGroup™

2015
U.S.
TALENT
SHORTAGE
SURVEY

10th Annual
TALENT SHORTAGE SURVEY



OVERVIEW

ManpowerGroup surveyed over 5,000 hiring managers in the United States for the 10th annual Talent Shortage Survey. For the past decade, U.S. employers have experienced ongoing skills shortages. Despite significant changes in the economy and a deep recession creating record levels of unemployment, the percentage of employers reporting talent shortages has fluctuated between 14 and 52% over the past 10 years. Unprecedented technological growth, constantly shifting demographics, increasing customer sophistication and the rise of individual choice has resulted in a new world of work.

**THROUGH ALL OF THIS UNCERTAINTY AND VARIATION,
TALENT SHORTAGES HAVE REMAINED CONSTANT.**

ManpowerGroup surveyed employers to gain insights into the following hiring challenges:

- How much difficulty are you having filling jobs due to lack of available talent?
- Compared to last year at this time, how much difficulty are you having filling jobs?
- What one job you are typically having the most difficulty filling?
- Why are you having difficulty filling this specific job?
- What level of impact is the talent shortage having on your ability to meet client needs?
- How are talent shortages/skills gaps impacting your organization?
- What strategies are you pursuing to overcome these challenges?

HIGHLIGHTS FROM THE 2015 U.S. TALENT SHORTAGE SURVEY

In the U.S., **32%** of employers reported facing difficulties filling jobs in 2015.



HARDEST JOBS TO FILL IN 2015



1 Skilled Trade Workers



2 Drivers



3 Teachers



4 Sales Representatives

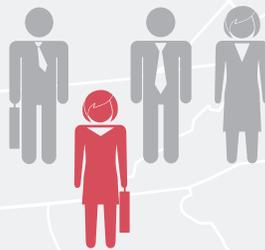


5 Administrative Professionals

For the sixth consecutive year, **SKILLED TRADES** vacancies are the **HARDEST JOBS TO FILL IN THE U.S.** And for the fourth consecutive year, skilled trades are the **HARDEST TO FILL GLOBALLY.**

HIRING

Employers **EXPECT LIMITED ABILITY, COMPETITIVENESS AND PRODUCTIVITY** to serve client needs if they can't hire required talent.

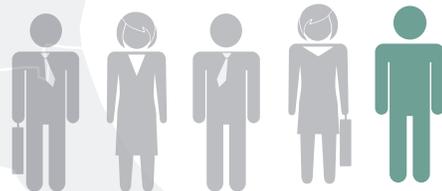


WHY JOBS AREN'T FILLED

TALENT SHORTAGES ARE DRIVEN BY A LACK OF AVAILABLE APPLICANTS — this reason is cited by over a third of employers as to why they cannot fill jobs.

EMPLOYERS ADDRESSING THE TALENT SHORTAGE

- Nearly **40%** are adopting new people practices to overcome hiring challenges
- **ONLY 1 in 5** is using non-traditional recruitment practices
- **ONLY 1 in 10** is
 - exploring new talent sources
 - providing additional training and development to existing staff
 - implementing alternative work models



1 IN 5 EMPLOYERS IS NOT PURSUING ANY STRATEGIES AT PRESENT.

THE U.S. TALENT SHORTAGE

HOW MUCH DIFFICULTY DO EMPLOYERS HAVE FILLING JOBS DUE TO LACK OF AVAILABLE TALENT?

The talent shortage in the U.S. has eased when compared to 2014, but challenges persist.

Over the past 10 years, despite significant changes in the economy and a deep recession with record levels of unemployment, the percentage of employers reporting talent shortages has fluctuated between 14 and 52%. In 2011, 52% of employers were facing a talent shortage, up from only 14% of employers – the lowest number ever – reporting difficulty in 2010. When compared with 2014, the percentage of employers reporting difficulty filling jobs decreased to 32%. This means more than one in three employers is still experiencing difficulty filling positions.

Talent Shortages are on the rise globally. Worldwide, the percentage of employers who are experiencing difficulties filling job vacancies continues to rise in 2015. When compared with 2014, the proportion increases from 36 to 38%. This is the highest figure reported prior to the global economic recession that started in 2008. In 2007, 41% of employers were facing a talent shortage, falling to a low of 30% in 2009 (Figure 1).

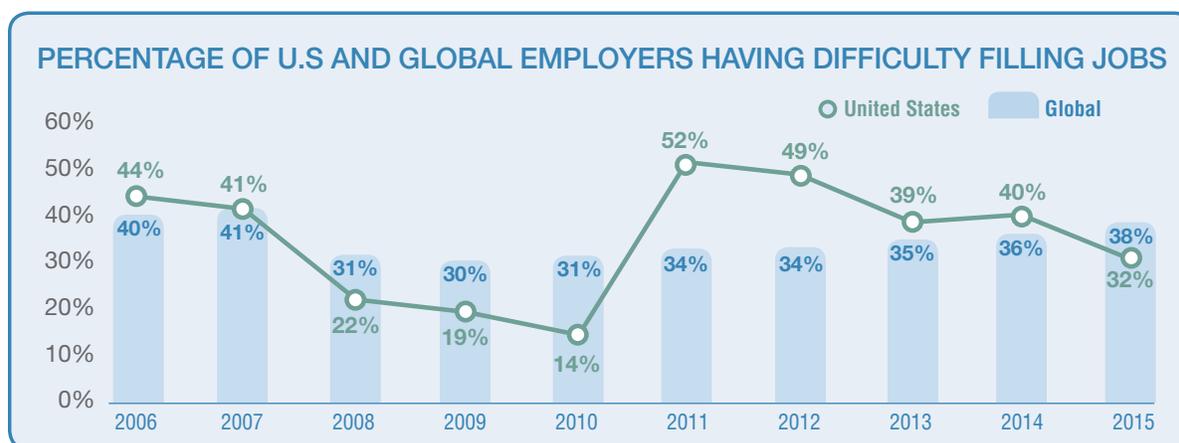


FIGURE 1

WHAT IS THE ONE JOB EMPLOYERS HAVE MOST DIFFICULTY FILLING?

In the U.S., the hardest-to-fill jobs continue to be skilled trade roles.

Across the United States, employers report that skilled trade vacancies remain the hardest to fill, as was the case in each of the previous six years. Skilled trades have been on the top 10 list eight times in the past 10 years and at the number one position from 2010 to 2015.

Drivers have been on the top 10 list every year since the first Talent Shortage survey in 2006. The job has changed from 2014, moving up the list from number five to the number two spot, its highest position ever.

Teachers are now third on the list, up one spot from last year. They have been on the top 10 list seven times, topping out at number two in 2007. Sales representatives, who have appeared on the list for 10 consecutive years and peaked at number one in 2006 and 2007, fell from third position to fourth in the latest survey.

Administrative professionals, including secretaries, receptionists, administrative assistants and office support staff, are back on the list in 2015 at the fifth position. They have been on the top 10 list three times in the last 10 years, hitting their highest demand this year at the number five position. Management/executives are also back on the list, and have been in the top 10 six other years. They are number six on the top 10 list this year, hitting their highest demand at number five back in 2007.



FIGURE 2

Nurses are seventh most in demand this year, up from the ninth position in 2014, and technicians rose to number eight from the tenth position last year. Demand for nurses, who have appeared on the top 10 list six times, hitting a peak at number two in 2009, fell to number seven in 2015. Technicians have ranked four times in the past 10 years with the top spot at number four in 2006, 2007 and 2010.

Professional specialty skill positions, accounting and finance professionals fell from the sixth position to ninth, but have appeared eight times on the top 10 list, reflecting their highest demand at number five in 2006 and 2011-2013. Likewise, engineers dropped on the list from the eighth to tenth position, but have been on the list nine times in the past 10 years, holding the number one position in both 2008 and 2009 (Figure 2).



FIGURE 3

There have been other jobs that have appeared multiple times on the top 10 hardest jobs to fill list over the past 10 years. Machinists have been on the top 10 list six times, peaking at number two in 2008. IT staff made the list five times with the top position at the third spot in 2012. Mechanics and laborers both appeared on the top 10 list four times each. Mechanics peaked at number three in 2007 and laborers reached number seven in 2014 (Figure 3).

Globally, the top four positions have remained consistent with skilled trade workers, sales representatives, engineers and technicians represented each of the past 10 years (Figure 4).



FIGURE 4

There are many consistencies between the hardest-to-fill U.S. and global jobs with eight of the top 10 positions appearing on both lists (Figure 5).

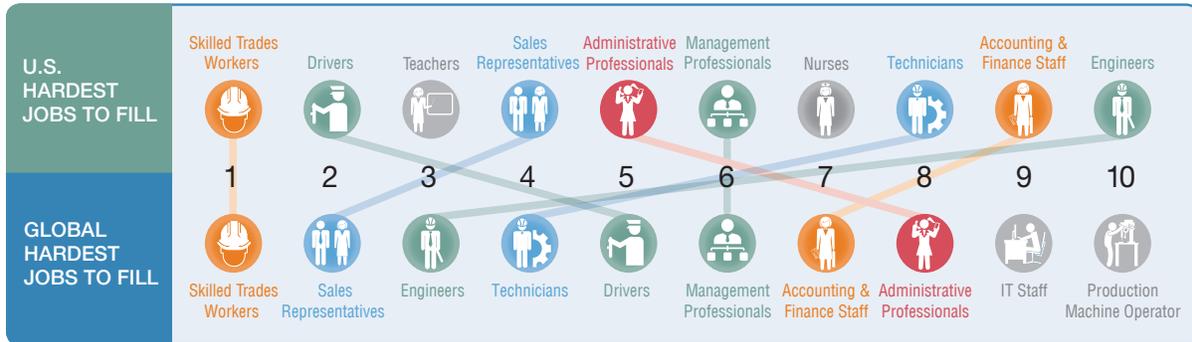


FIGURE 5

LEVEL OF DIFFICULTY FILLING JOBS COMPARED WITH 2014

The level of difficulty faced by employers dealing with talent shortages has eased when compared with 2014.

While the proportion of employers who face difficulties recruiting due to the talent shortage has varied over time, the survey suggests that employers are not experiencing an increase in difficulty. With only 6% of U.S. employers reporting greater difficulty filling jobs than in 2014, 34% indicate they have less difficulty, while 50% believe the level of difficulty is unchanged (Figure 6).

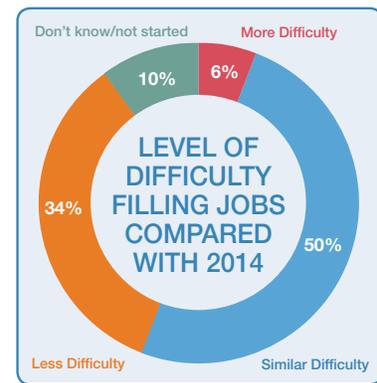


FIGURE 6

LEVEL OF IMPACT OF TALENT SHORTAGE ON ABILITY TO MEET CLIENT NEEDS

Most employers say the talent shortage has an impact on client-facing relationships.

Employers who are facing a talent shortage say it is having either a high (16%) or medium (32%) impact on their ability to meet client needs. Only about one in five (22%) feel that talent shortages are not having any impact on their ability to serve clients (Figure 7).

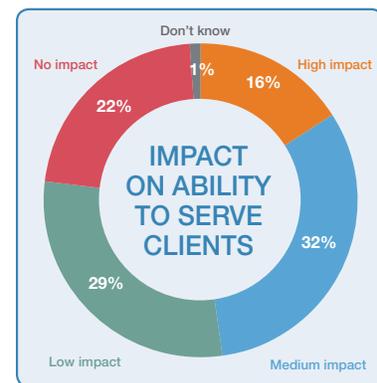


FIGURE 7

HOW TALENT SHORTAGES ARE MOST LIKELY TO IMPACT THE ORGANIZATION

Employers expect reduced competitiveness and more limited ability to serve clients if they can't hire the talent they need.

Among employers who feel that talent shortages are impacting their ability to meet business needs, the most likely consequences are expected to be a reduction in ability to serve clients (43%) and reduced competitiveness/productivity (41%). In addition, 32% expect an increase in employee turnover, anticipate lower employee engagement and morale, and believe talent shortages may lead to higher compensation costs. About one in five (22%) expects reduced innovation and creativity in their organization (Figure 8).

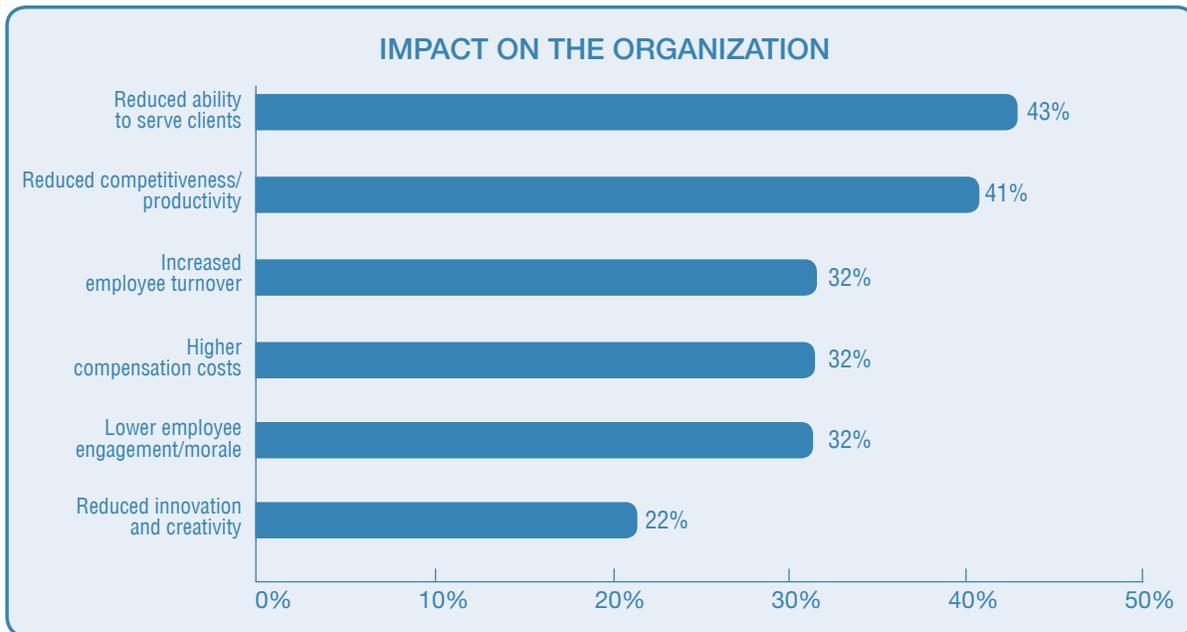


FIGURE 8

WHY EMPLOYERS ARE HAVING DIFFICULTY FILLING JOBS

Among those who are available, talent shortages continue to be driven by applicants who lack experience and technical competencies.

This lack of available applicants is the most common reason employers give to explain why they anticipate difficulty filling jobs in 2015. More than one in three (33%) say this is an issue. Lack of required experience adds to the difficulty of filling jobs for 19% of employers surveyed. Likewise, 17% cite a lack of candidates with technical competencies needed as affecting their ability to find the right candidate. The technical competencies employers seek include industry-specific professional qualifications (7%) and industry-specific skilled trade certifications (7%).

Hiring managers (11%) say that a lack of soft skills is also behind talent shortages. The most frequent workplace competency deficits are lack of professionalism (5%) and lack of enthusiasm, motivation and a learning mindset (2%).

A further barrier for 10% of employers is candidates with salary expectations that exceed what is offered. In addition, 8% struggle to fill jobs because applicants are not willing to work part-time or on a contingent basis, 3% say candidates lack flexibility, adaptability and agility, and 2% say candidates don't want to work in locations where vacancies exist (Figure 9).

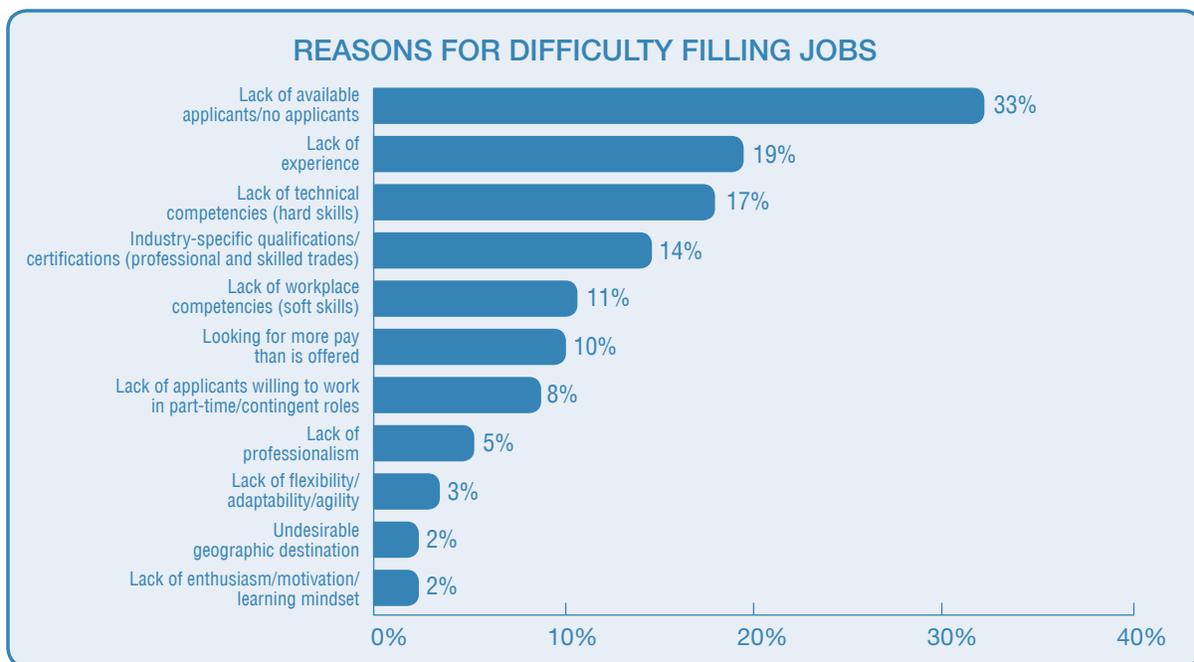


FIGURE 9

STRATEGIES EMPLOYERS ARE PURSUING TO OVERCOME TALENT SHORTAGES

Utilizing people practices, seeking new talent sources and implementing alternative work models are the most widely used strategies for addressing talent shortages.

In 2015, more than one in three (37%) U.S. employers is changing existing people practices to tackle the issue of the talent shortage. At the same time, 12% of employers are exploring new talent sources in order to tackle the difficulties they face filling jobs, while 10% are implementing alternative work models. Surprisingly, 20% of employers are not currently pursuing any new strategies to overcome the talent shortage (Figure 10).

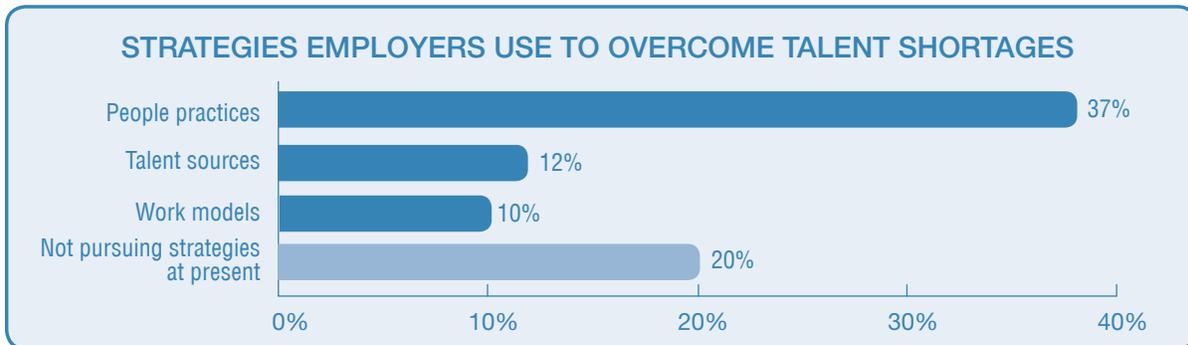


FIGURE 10

More than one in five employers (22%) have started utilizing nontraditional recruiting practices, both internally and externally to the organization. While 12% are revising their people practices to provide more training and development for existing staff. Most commonly, this takes the form of training to enhance existing skills (8%) and training to develop new skills (5%). Employers are also likely to improve how they convey career development opportunities to applicants during recruitment (7%). Some employers are offering higher starting salaries (5%) and/or enhancing benefits (3%), while 4% are redefining qualifying criteria to include individuals who lack some required skills and qualifications but have the potential to acquire them (Figure 11).



FIGURE 11

With regard to seeking out new talent sources, 4% of employers are exploring previously untapped talent pools, particularly candidates from outside their immediate region (2%). Meanwhile, 4% are partnering with educational institutions to create curriculums aligned to their talent needs and/or selecting candidates who don't have the relevant skills at present but do have potential to learn and grow (3%) (Figure 12).

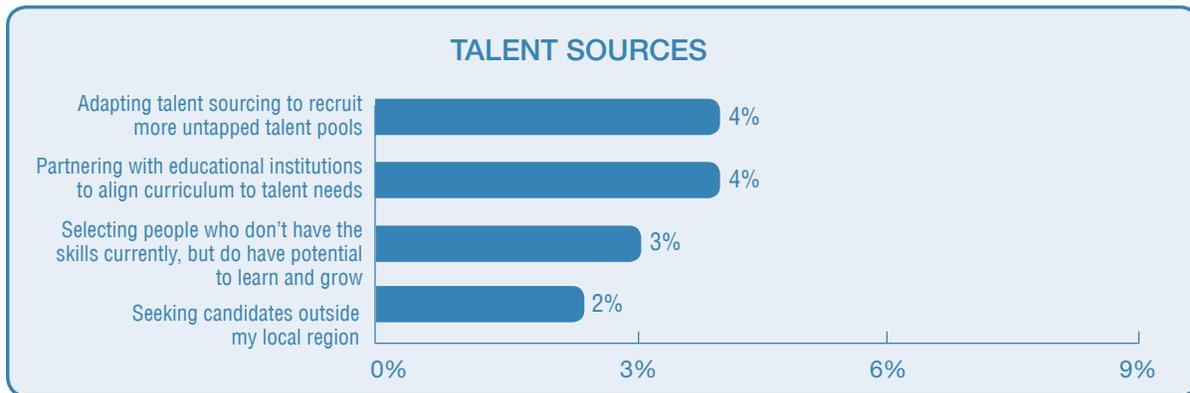


FIGURE 12

Employers who report implementing alternative work models to address talent shortages are focusing on improving their talent pipeline by identifying high potential employees and building a succession management approach (4%). Others are redesigning existing work procedures, for example, by sharing work assignments between different employees (2%), offering more flexible work arrangements (2%), providing virtual work options (2%) and/or integrating contingent workers into their workforce (2%) (Figure 13).

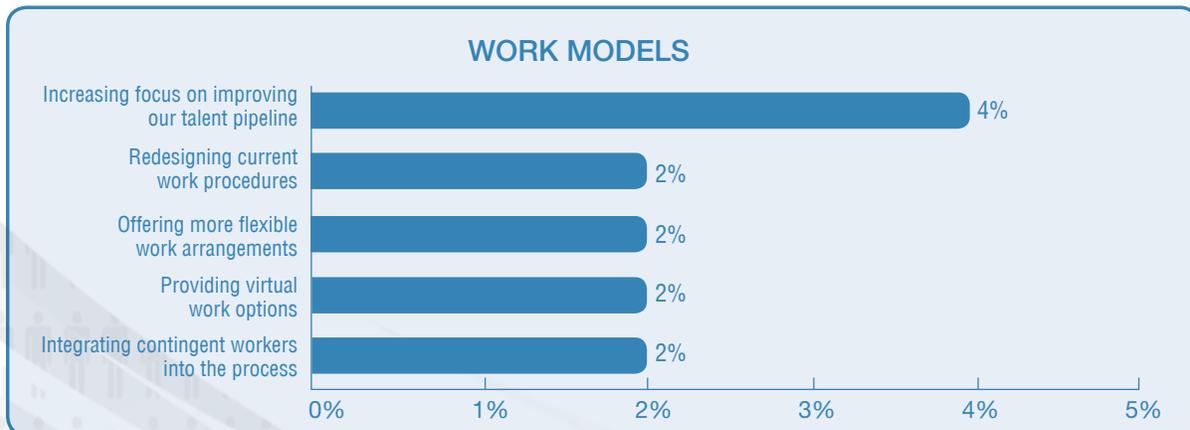


FIGURE 13



To learn more about strategies and solutions to overcome the talent shortage in order to move your organization forward, contact your local ManpowerGroup workforce expert.

manpowergroup.us/talent-shortage

#TalentShortage

ManpowerGroup™ is the world leader in innovative workforce solutions. The ManpowerGroup suite of solutions is offered through ManpowerGroup™ Solutions, Experis™, Manpower® and Right Management®.

