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Two Perspectives: Message Abundance -- Where Are the Skilled Workers?

PART I: YOU CAN'T CLICK FOR BRAINS – MESSAGE ABUNDANCE IN A COMMUNICATIONS DESERT

Let's say you need to contact a client or prospective client. First, you e-mail them. No response. Then you call and leave a voice mail. Still, no response. Your next step might be to text them or contact them on a social media site. Perhaps your blog or client newsletter will elicit a response. Finally, you give up and move on. Three weeks later you get a cryptic e-mail, "Buried in work messages. Sorry. Try me later!"

Electronic technology has created more and more channels of communication. Yet, the new normal seems to be that people are sending out many more messages, but in the final analysis, are communicating less and less. E-mail has proliferated to the point that most in-boxes are overloaded, sometimes to the point of being unmanageable. The sad reality is that most messages are filtered out, deleted unread, or skimmed over and forgotten. No interaction takes place. There is no real exchange of information.

As workers are equipped with more and more communication devices as well as the ones they use for personal messages, their ability to concentrate is in jeopardy. They are constantly being beeped, buzzed, rung or vibrated and often addicted to the habit of incessantly checking their myriad devices. They are expected to be instantly on call at work and fear that if they don't respond to every message immediately, there might be repercussions. Everything centers around NOW, thereby jeopardizing attention to long-term priorities and goals.

In many workplaces or in college libraries, younger people sit cocooned by the latest technologies. Wearing pilot-type headphones they soar through the digital ether. Silence reigns supreme. They feel powerful and connected to a lot of people. But how many of these on-line communications actually result in person-to-person conversations that build relationships?

Recently an adolescent who spends most of her time texting or playing video games said to me, "Someday, I guess you need to teach me how to have a live conversation!" As children and adolescents we learned from watching adults about reading the facial and body language of others during a conversation. This apprenticeship in live conversation was always part of growing up. Watch a table of adults and children in restaurants today. While the adults are conversing, often the children are glued to their electronic devices playing games or texting. They are missing out on learning the subtleties of human interactions in the real world of adult conversation.

Is it surprising that employers report that among the soft skills they find deficient in today's job applicants are verbal communication and writing abilities? Too many elementary, secondary and even post-secondary institutions have reduced or even given up on developing their students'

speaking and writing abilities. Learning to use electronic social media is fine, but it cannot replace developing fundamental oral and written communication skills.

PART II: WHERE ARE THE SKILLED WORKERS? WHY WE NEED THEM!

The 5.4 percent U.S. unemployment rate in April 2015 was the lowest since mid-2008. However, wage growth continues at a slow pace. Six years after the nation emerged from a severe recession, the percent of the U.S. population participating in the workforce remains stuck at 62.6 percent, a historically low level. U.S. productivity has also taken a major nose-dive. The economy is barely growing. What is behind this lackluster economic picture?

In April 2015, 17.3 million U.S. workers were unemployed, underemployed (working part-time and want full-time), or did not search for work in the past month. All these people are counted in the U.S. Bureau of Statistics' U-6 unemployment rate which at 10.8 percent was double the official unemployment rate which only includes persons without job who are actively seeking and available for work.

Two other aspects of the unemployment report deserve further scrutiny. One, 29 percent of the unemployed has been out of work 6 months or more. Although this figure has declined somewhat over the last 5 years, it is still well above average. Second, the labor participation rate of Americans classified as prime-age workers (ages 25 to 54) remains at 81 percent, a very low level historically. This indicates that the overall decline in labor participation cannot be solely due to retiring baby boomers or those pursuing education full-time. A Brookings Institution paper, "What Happens to the Long-Term Unemployed," found that after 15 months 34 percent had withdrawn from the labor force, i.e., were not working or looking for work. Possible reasons for leaving the workforce include their skills have atrophied, their skill sets are not in demand, or their long absence from the workforce is viewed unfavorably by potential employers.

There is no doubt that there is a significant skills gap, especially as the demand for STEM workers continues to grow. Another Brookings Institution report, "The Hidden STEM Economy" estimates that 20 percent of all U.S. jobs, about 26 million, require a high level of knowledge in one STEM area. Recent surveys continually show that both executives of large U.S. corporations and small business owners report finding appropriately skilled workers is one of their biggest worries, and they only see this problem getting worse. Yet, while some state that they intend to increase their training expenditures, this is happening too slowly for the labor force to significantly advance in attaining the skill levels demanded by modern workplaces. We estimate that there are currently over 7 million vacant jobs across the United States.

U.S. business lack of investment in physical capital, research and development, and human capital is being driven by uncertainty at home and abroad. The continued growth in U.S. government regulation and taxes as well as political polarization is paralyzing American business. Turmoil in the Middle East, strains in the European Union, and most of all a significant slowdown in the economic performance of China are dampening trade and investment opportunities.

Furthermore the chronic weakness in capital investment can be traced to the \$1.73 trillion horde of cash being held by major U.S. corporations with multinational operations. Of this about \$1.1 trillion is being held overseas. Corporate boards are reluctant to repatriate this cash without the incentive of tax reform. Instead they continue to tap domestic debt markets at current low interest rates to fund stock buy-backs and mergers and acquisitions.

While short-termism still dominates U.S. business thinking, global demographics and advanced technology are now significantly impacting the U.S. labor market. The U.S. Bureau of Labor Statistics projects that between 2012 and 2022 U.S. businesses and organizations will need to find and hire about 50 million people. Even if the world economy falls flat, about 34 million current workers will need to be replaced just to keep the doors open. Technology will replace some of them, but this will raise the skill/education requirements of the remaining workers. Where will they come from? Knowledge workers are in short supply in all the major industrial nations.

Professional and trade associations can be important forces in raising business and community support for increasing training and implementing meaningful education reform. Recently I had the opportunity to deliver a luncheon keynote address at the annual meeting of IEEE-USA, an association that encompasses all fields of engineering. The audience response to my message that the knowledge base of the U.S. workforce needs to be significantly upgraded was overwhelmingly positive. Members of this profession are acutely aware of the high level of STEM knowledge required to enter any engineering field and the necessity for obtaining continued education and training to maintain their licenses and certifications. Most people are just beginning to realize that life in the 21st century requires more knowledge, education, and skills as we transition to a new labor-market era.

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