

THE WALL STREET JOURNAL.

WHERE ARE ALL THE MIDDLE-SKILL WORKERS?

By Lauren Weber
November 12, 2014

Here's a paradox of the U.S. economy: Millions of Americans are seeking work, but companies say they just can't find qualified workers to hire.

A new report from researchers at Accenture, Harvard Business School and labor market analysis firm Burning Glass, challenges employers to stop grumbling and instead develop plans to develop and hire a workforce that can meet the needs of 21st-century corporations.

Among the recommendations: Develop a deep understanding of future staffing needs and write job descriptions based on core skills; provide educators with clear statements of the skills those jobs will require; partner with schools to develop and vet curricula and share data; create in-depth internship, apprenticeship and training programs; and collaborate with other employers to standardize job descriptions and build a pipeline of future workers.

As an example, the researchers note that when Siemens discovered a need for workers with advanced manufacturing skills in 2008, the Central Piedmont Community College in North Carolina sent four faculty members to Germany to get certified on Siemens' advanced manufacturing processes. The community college soon began offering a degree in Applied Science in Mechatronics Technology designed to meet Siemens' specifications.

The report, called "Bridge the Gap: Rebuilding America's Middle Skills," is part of HBS's multi-year project on U.S. business competitiveness and warns that American companies are in danger of falling behind due to their inability to find – or their unwillingness to train – the workers of the future.

In a 2014 survey, Accenture found that 69% of about 800 human resources executives said that middle-skill talent shortages "regularly affect their performance." (To be sure, some economists have questioned whether the skills gap is holding companies back, or even exists at all.

The report defines middle-skill jobs as those that "require more education and training than a high-school diploma but less than a four-year college degree," and focuses on a subset of occupations that create value for U.S. businesses, are tough to fill, pay decent wages and offer a real career path.

Among the hard-to-fill jobs at the middle level are in healthcare, computers, mathematics and sales.

The authors recommend that companies manage their workforce pipelines like they manage their supply chains. That means investing in workforce planning "to identify strategically relevant middle-skill capabilities and build roadmaps for closing potential gaps." The report also warns against what experts call "credential creep," the phenomenon of employers demanding more degrees or experience than a position actually requires.