

# 2026 Employer Needs Survey

LMI Tuesday

June 2<sup>nd</sup>, 2026

Joshua Levy

NC Commerce, Labor and Economic Analysis Division

# Introduction

- What are employers telling us about their **workforce needs**?
- “Skills gaps” vs. other potential **mismatches**
- Focus on **employers’ perceptions** and not experiences of jobseekers
- Want to know what employers are experiencing currently (hiring, hiring difficulties) as well as adoption of new technologies such as **AI** and use of **work-based learning**
- Survey is **one piece of evidence** to be used in conjunction with other data on labor markets

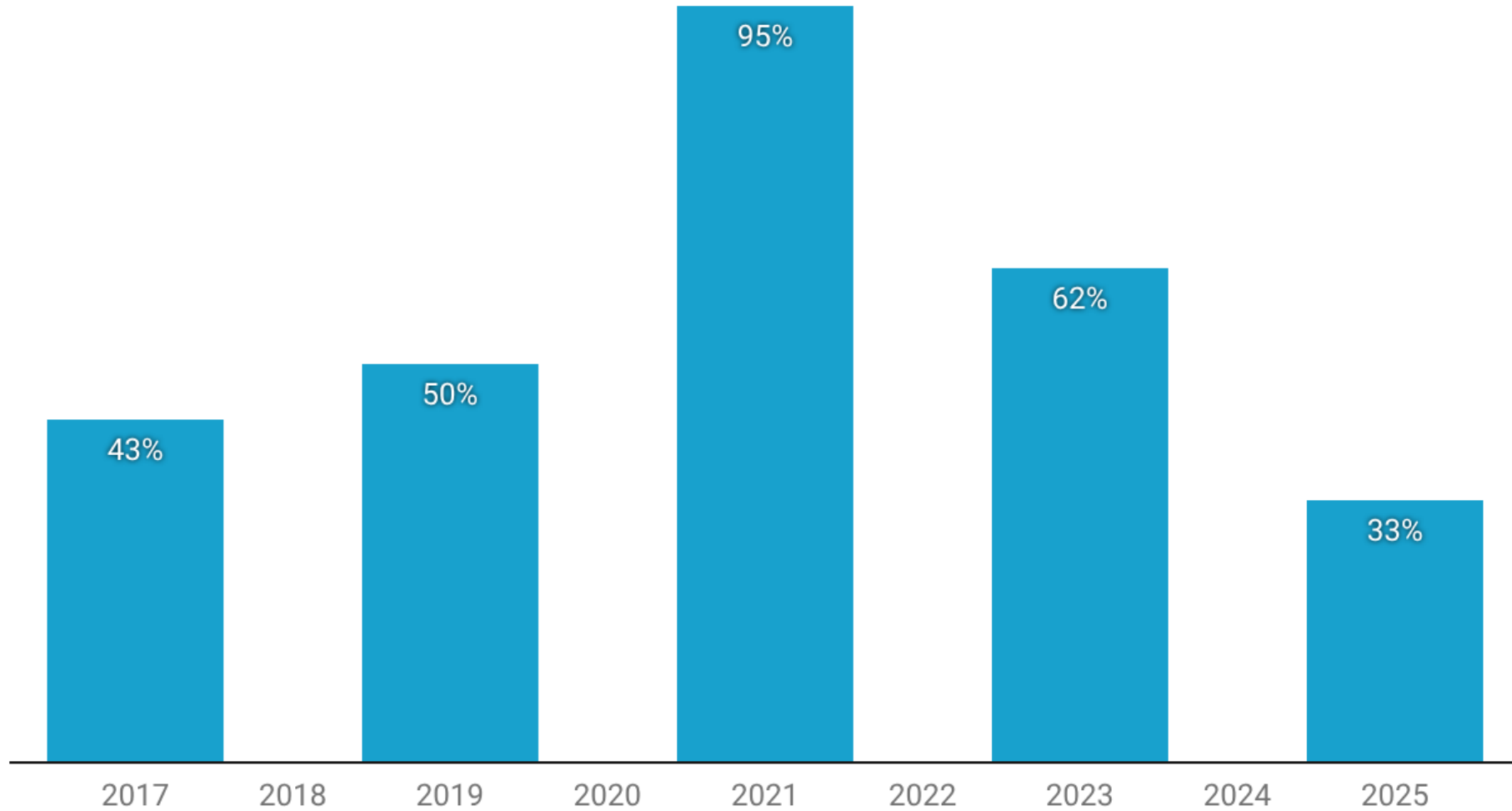
# Background to Survey

- Conducted every two years since 2014
- Led by LEAD, supported by **NCWorks Commission** and **Governor's Council on Workforce and Apprenticeships**
  - Phone surveys by Center for Urban Affairs and Community Services at NC State University
- **Statewide** survey of establishments with **at least 10 employees**
- 4 samples:
  - **All employers (Overall):** 413 responses
  - **Manufacturing:** 411 responses
  - **Healthcare:** 403 responses
  - **Education and Child Care:** 439 responses

# Who's hiring and how hard is it?

- How many employers in the Overall sample tried to hire?
  - 83% of “All Industry” employers **tried to fill at least one position** in the previous 12 months
  - 80% tried to fill **entry-level positions**
    - **33%** had **difficulty hiring** entry-level positions (down sharply from 62% in 2024 and 95% in 2022)
      - 47% of Education and Child Care employers had difficulty; others the same
    - Lower level of difficulty with entry-level positions may be attributable to the “low-hire/low-fire” labor market in which there is not as much demand from employers but it easier for them to find entry-level jobseekers

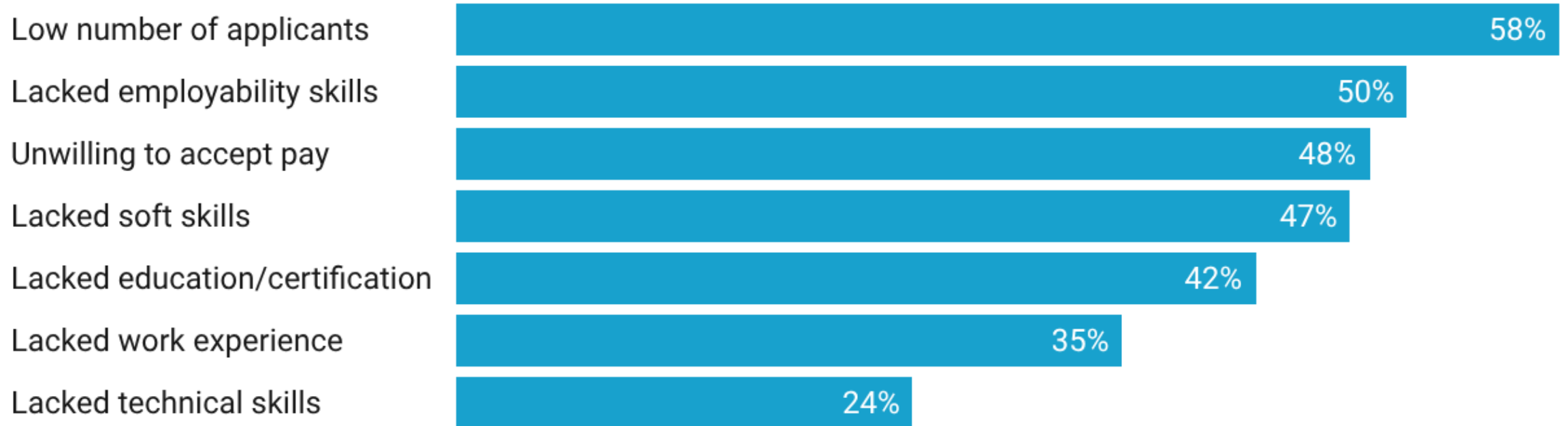
# Hiring difficulty for entry-level positions has eased



*Percent of Employers reporting Hiring Difficulties with Entry-level Positions in the previous 12 months*

Source: 2026 Employer Needs Survey, Labor and Economic Analysis Division (LEAD) • Created with Datawrapper

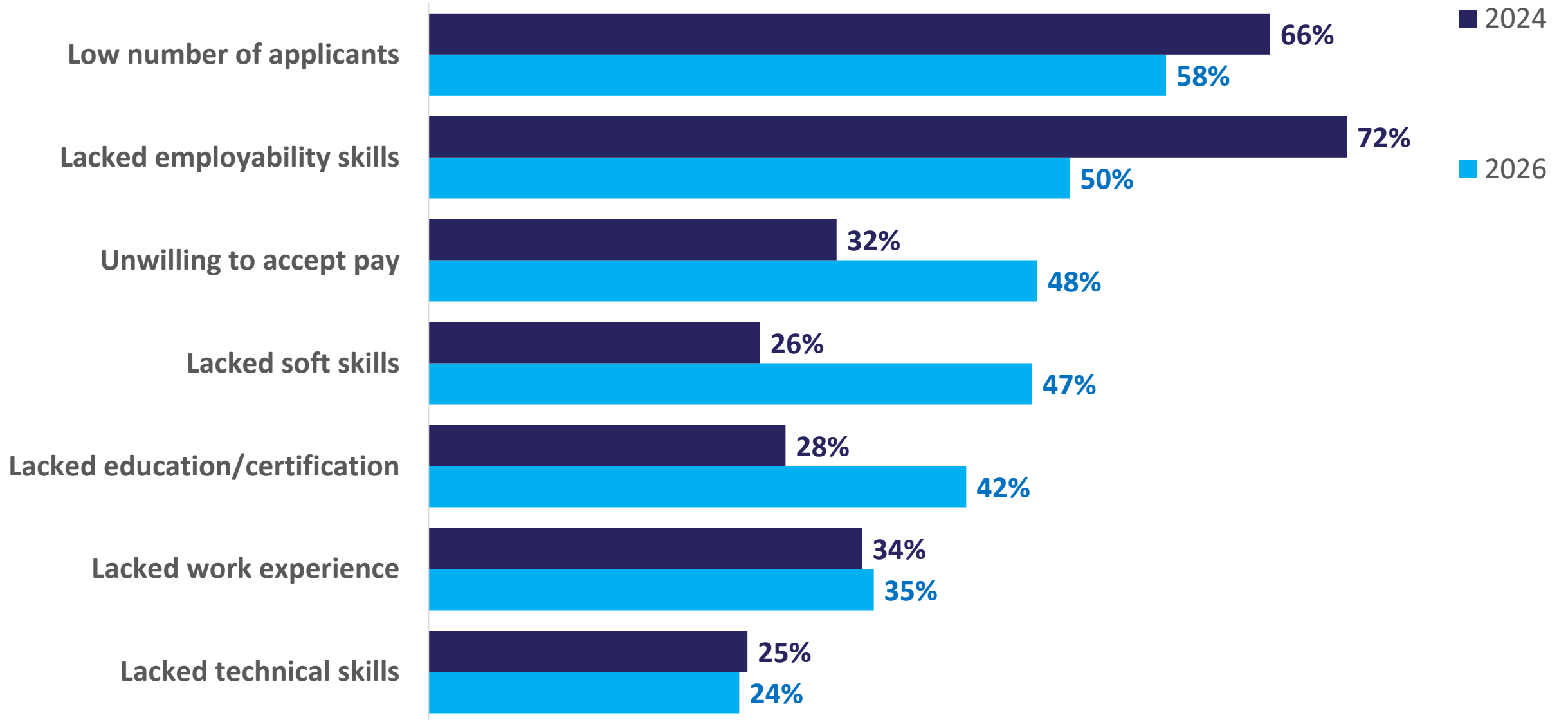
# Not enough job applicants is the top reasons for difficulty



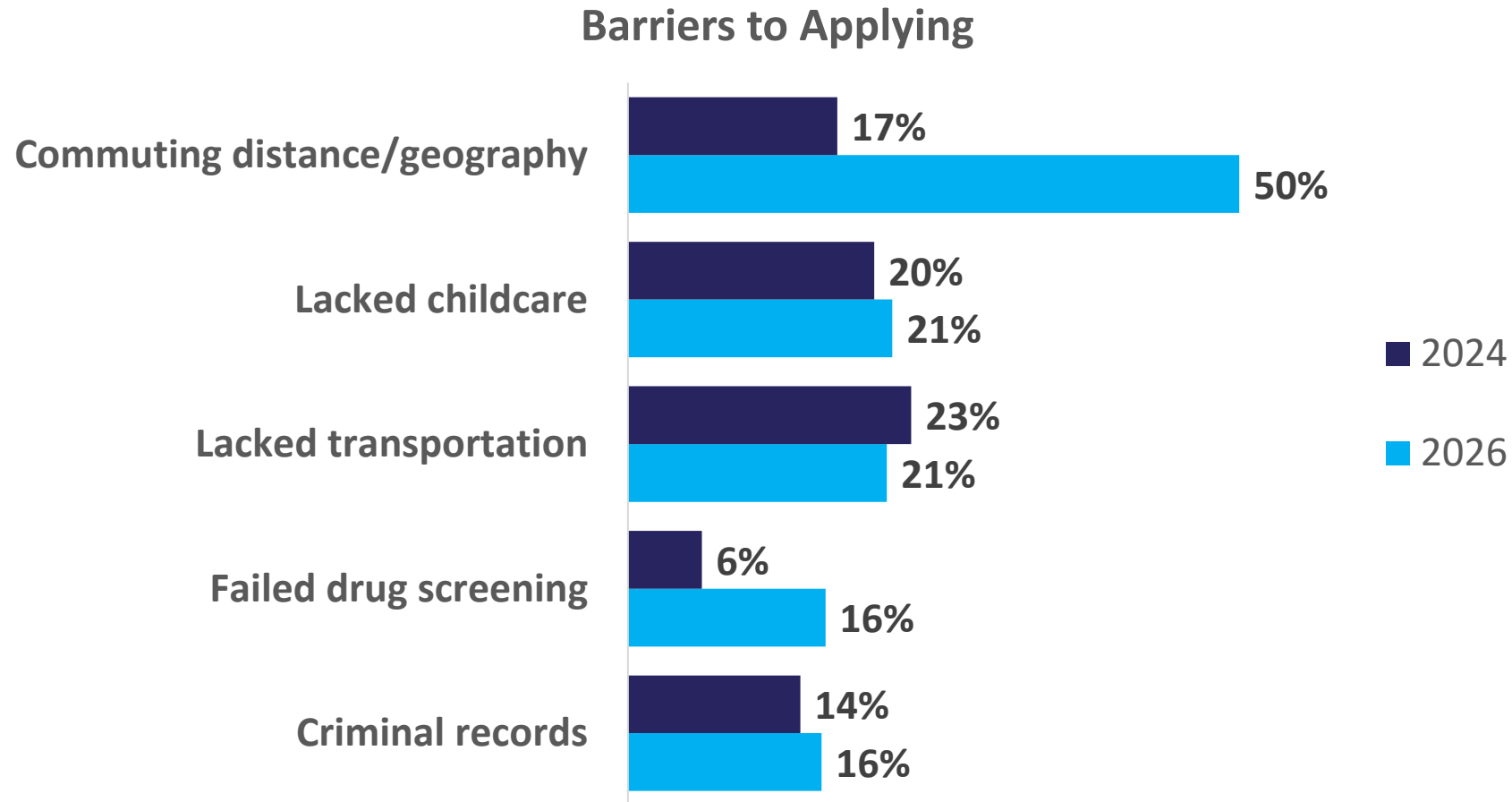
*Percent of Employers reporting Reasons for Difficulty Hiring Entry-Level Positions*

Source: 2026 Employer Needs Survey, Labor and Economic Analysis Division (LEAD) • Created with Datawrapper

## Reasons for Hiring Difficulties (entry-level positions)

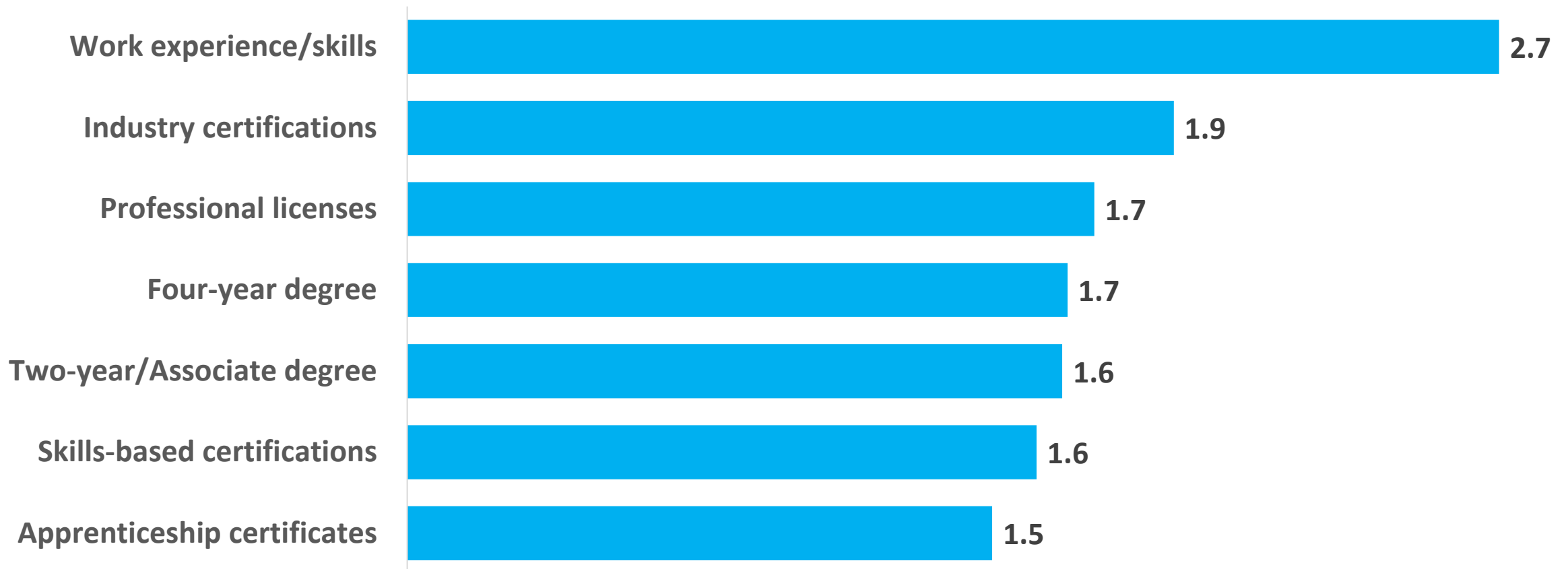


# What might be preventing matches?



# Work experience/skills most important

Importance of Credentials for Entry-Level Positions (*Scale: 1=Not Important, 2=Somewhat Important, 3=Important, 4=Very Important*)



# Work experience/skills most important

Credential	Not important	Somewhat important	Important	Very important
Work experience/skills	19%	25%	21%	35%
Industry certifications	50%	20%	17%	12%
Professional licenses	59%	18%	16%	8%
Four-year degree	63%	13%	18%	5%
Two-year/Associate degree	61%	19%	16%	4%
Skills-based certifications	58%	29%	10%	3%
Apprenticeship certificates	71%	14%	14%	1%

# Work-based learning has room to grow

- Work-based learning opportunities currently offered by employers:
  - **None** 51%
  - Internships 31%
  - Job shadowing 27%
  - Career activities with schools 18%
  - Apprenticeship/pre-apprentice 12%
- Familiarity with Registered Apprenticeship programs is low:
  - **Not at all familiar** 48%
  - Not very familiar 23%
  - Somewhat familiar 20%
  - Very familiar 9%

# Employers need to see value of WBL

- Why don't more employers take part in work-based learning?

- Do not see value 26%
- Company too small 21%
- Too time-consuming 14%
- Too expensive 9%
- Cannot find candidates 7%
- Liability/safety concerns 5%

- Most valuable support for work-based learning:

- Financial subsidies 24%
- Help recruiting candidates 11%
- Training for supervisors/mentors 9%
- Partnership w/ educational institutions 8%
- Technical/administrative support 2%

# Partnerships with Education and Workforce Entities

- Business engagements in the past 12 months:
  - Community colleges 38%
  - 4-year colleges/universities 29%
  - High schools 25%
  - NCWorks/Workforce Board 17%

# About 1/3 use Artificial Intelligence

- **30%** of employers report **currently using AI**

- Top AI Applications

- Content creation 61%
- Admin/scheduling 53%
- HR functions 52%
- Research/summarizing 43%
- Data analysis 40%
- Customer service 37%
- Programming/coding 26%
- Other 4%

# Impacts of AI on employment

- Impact on Employment in the **past year**?
  - **95%** of employers using AI resulted in “no change” to employment in the past year
    - 3% said “increased” and 2% said “decreased”
- Employers expect AI will impact the demand for the following types of workers
  - **Entry-level:** 73% expect no change, 18% decrease, 9% increase (**net -9 percentage points**)
  - **Mid-level:** 74% expect no change, 14% decrease, 12% increase (about the same)
  - **Experienced-level:** 75% expect no change, 19% increase, 6% decrease (**net +13 percentage points**)
- **43%** of employers anticipate starting or expanding AI use in the **next 2 years**

# AI and Future Skills

- How important will it be for your workforce to have AI-related skills in the next 2 years?
  - Very important 14%
  - Somewhat important 29%
  - Not very important 22%
  - Not at all important 35%
- Future Skills expected to become **more important** (top 3):
  - Communication/interpersonal skills 64%
  - Problem-solving/critical thinking 60%
  - Creativity and innovation 50%
- On net, Programming/coding skills are expected to become **less important**

# AI and Future Skills

Future Skills	Less Important	About the Same	More Important
Communication/interpersonal skills	4%	32%	64%
Problem-solving/critical thinking	5%	34%	60%
Creativity and innovation	8%	42%	50%
AI and digital literacy	19%	43%	39%
Data analysis skills	19%	52%	29%
Programming/coding skills	24%	58%	18%

# Increased emphasis on work experience

- Changes to hiring requirements over the past 2 years:
  - No significant changes 75%
  - Increased emphasis on work experience 13%
  - Decreased emphasis on degrees 7%
  - Increased emphasis on certifications 5%
  - Increased emphasis on short-term credentials 5%
  - Increased emphasis on degrees 3%
- Increased emphasis on work experience is also reflected in importance of credentials findings
- Less emphasis on degrees, a bit more on certifications and short-term credentials

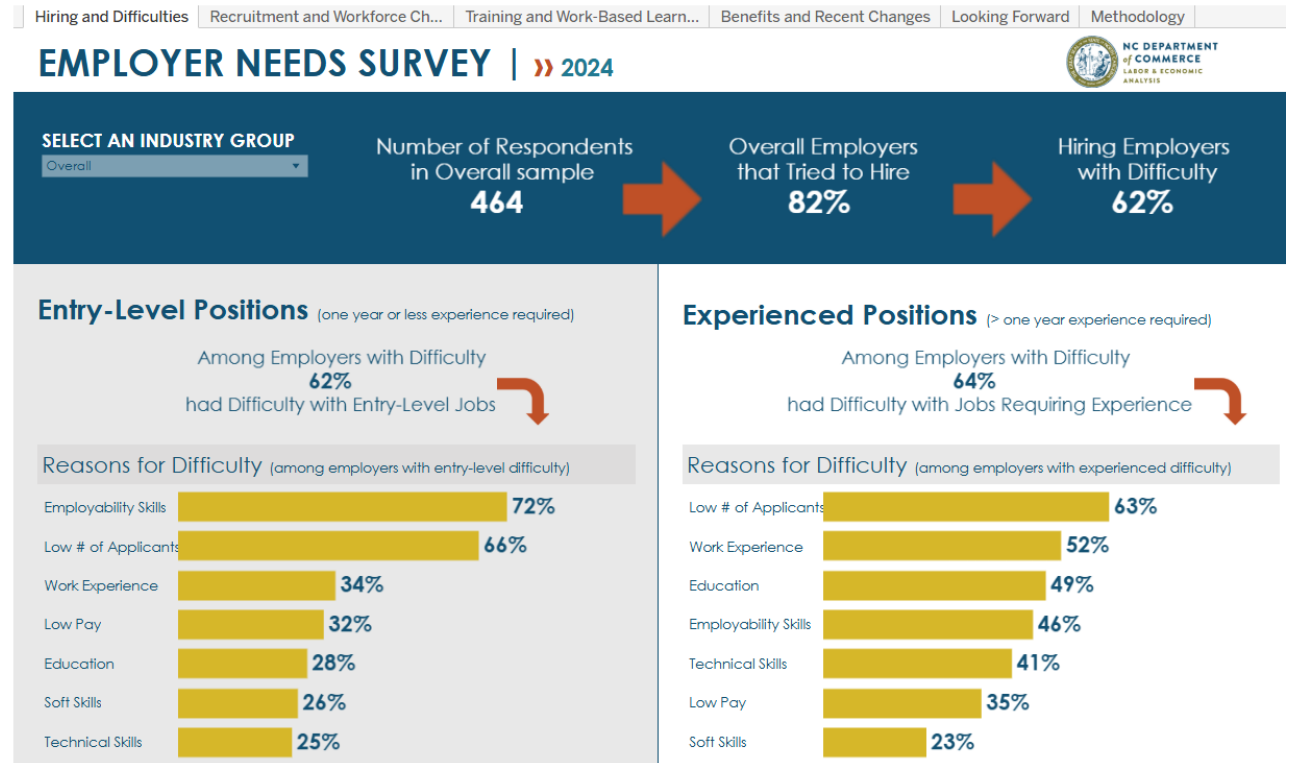
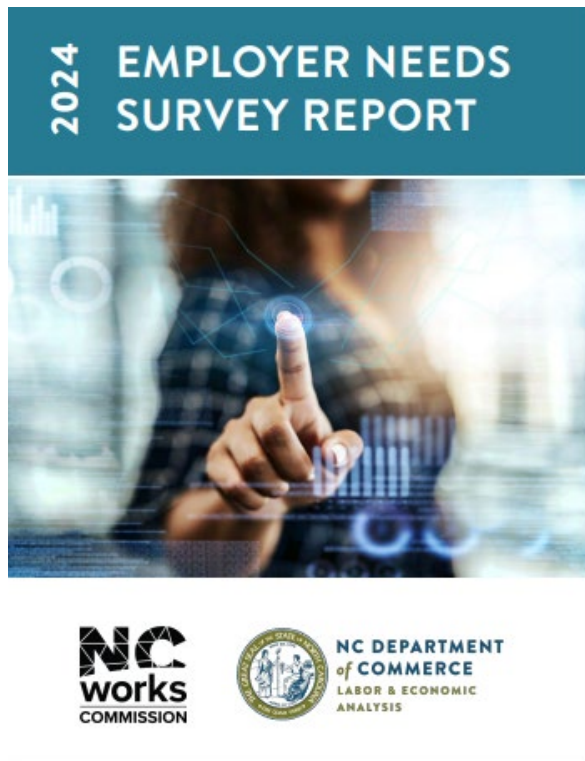
# Retirements are a lower concern

- How concerned they were about future employee retirements affecting their business
  - *75 percent said they were not concerned*
  - 14 percent saying they were somewhat concerned
  - 4 percent saying they were concerned
  - 8 percent saying they were very concerned
- These results are similar to previous versions of the survey
- Manufacturers and Education employers reported more concern, increase in “somewhat concerned”

# Coming Soon...

- Report and visualizations soon at [analytics.nccommerce.com](https://analytics.nccommerce.com)
- Blog articles at the LEAD Feed:  
<https://www.commerce.nc.gov/news/the-lead-feed>

- 2024 Full Report available at
  - <https://analytics.nccommerce.com/Employer-Needs-Survey/PDF/>
- Interactive Dashboard available at
  - <https://analytics.nccommerce.com/Employer-Needs-Survey/>



# Thank you!

 Follow us on Twitter... 

**NCc** @CareersInNC

**LEAD** @LeadNC

[Analytics.NCcommerce.com](http://Analytics.NCcommerce.com)

**Joshua Levy**

[Joshua.levy@commerce.nc.gov](mailto:Joshua.levy@commerce.nc.gov)