

# 2022 Employer Needs Survey

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# Introduction

- History of the “skills gap”
- Labor matching and matching efficiency
- Labor shortages vs. other types of mismatches—geographic, occupational
- Labor markets are markets
  - Demand for labor from employers
  - Supply of labor from workers
  - At the right price (wage) these should meet
- What else can contribute to matching inefficiencies?
  - Job conditions, scheduling, lack of transportation or childcare, health concerns, etc.
  - Recruiting and retention policies, training and promotion, etc.



# The 2022 Employer Needs Survey

- Survey of NC employers with 10 or more employees designed to gauge hiring experiences, recruitment and retention strategies and workforce challenges
- Carried out on behalf of NCWorks Commission by LEAD and NCSU Center for Urban Affairs and Community Services on biennial basis since 2014
- Responses from over 2,300 businesses across state
- All Industry sample as well as Construction, Healthcare, Hospitality, Manufacturing, and STEM samples
- Collected during the fall of 2021

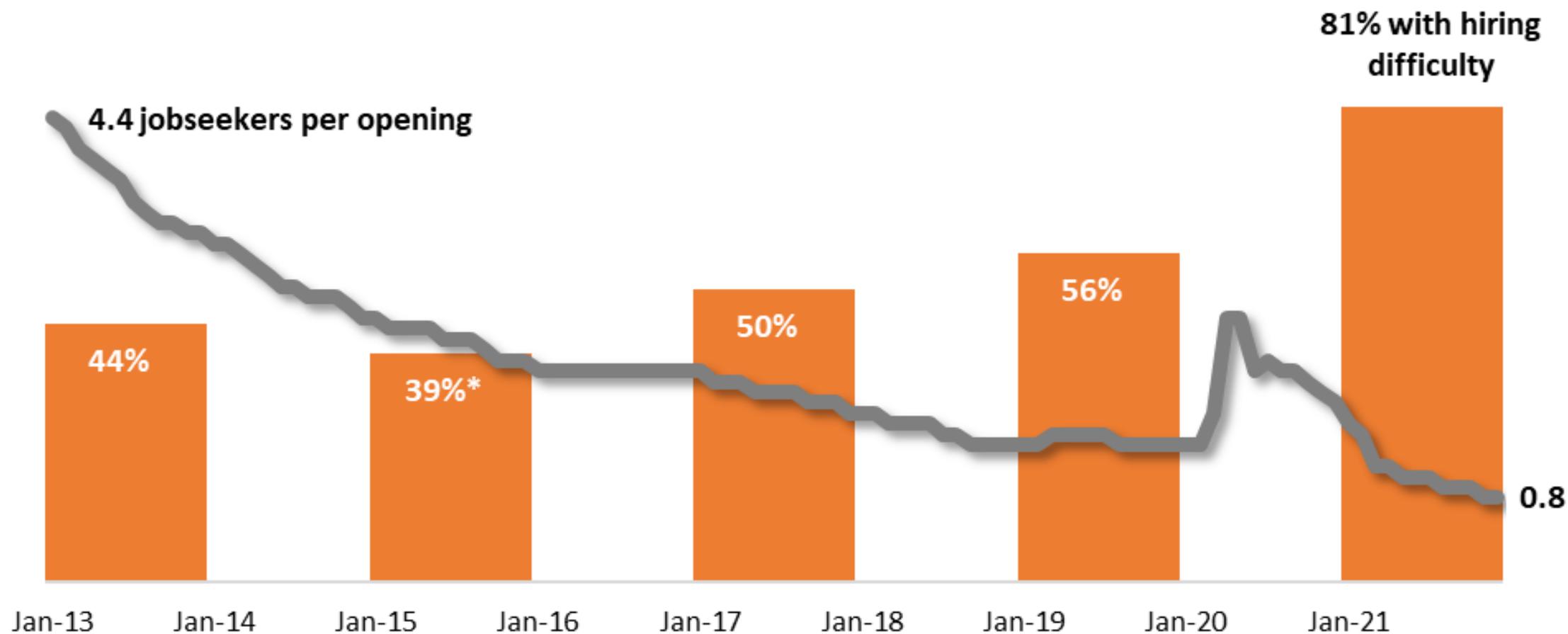


# Hiring and Hiring Difficulties

- 86% of All Industry businesses **tried to hire** in the previous 12 months
  - Of these businesses, 81% reported having **difficulty hiring** for at least 1 position (56% in 2020)
    - 95% reported difficulty hiring for **entry-level** positions
    - 84% reported difficulty hiring for **above entry-level** positions
  - Hospitality reported **more** difficulty (89%); STEM reported **less** difficulty (71%)
  - Entry-level difficulty **higher** in Hospitality; **lower** in STEM
  - Above entry-level difficulty **higher** in Construction and STEM; **lower** in Hospitality



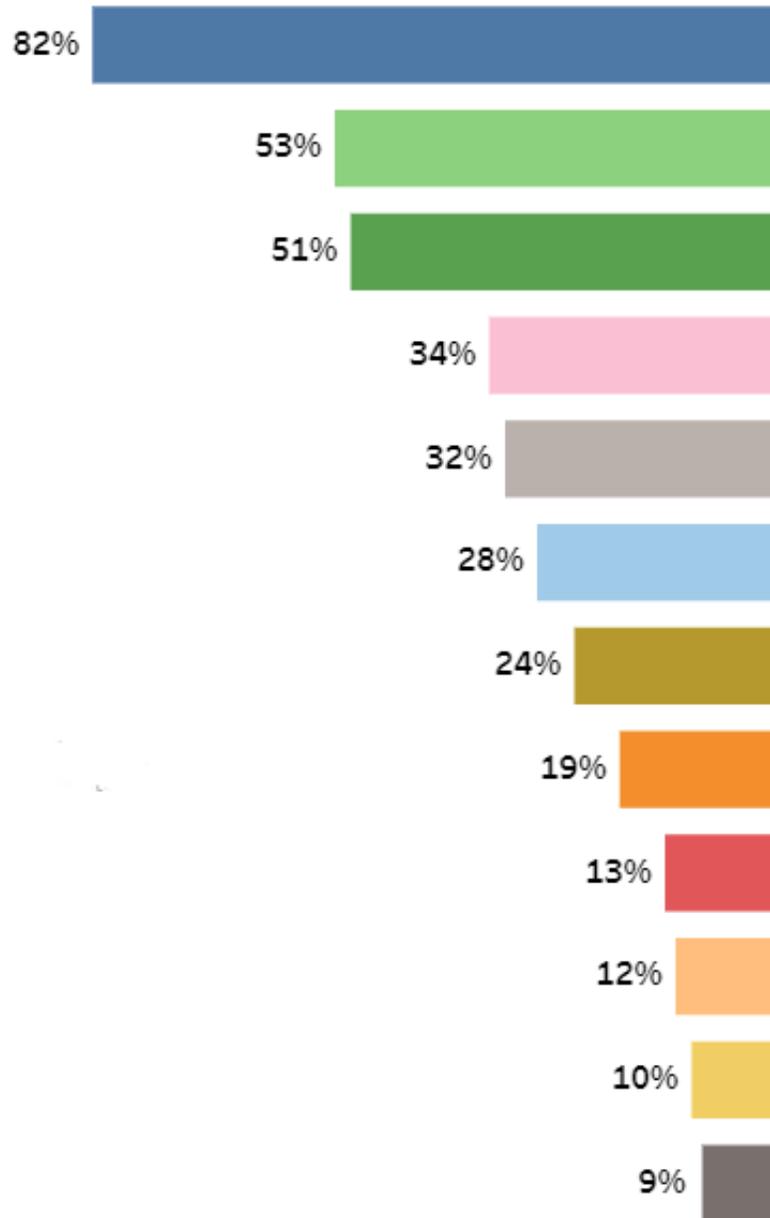
## NC Decline in Jobseekers per Opening, Increase in Hiring Difficulty



\*No statistical significance in hiring difficulty from 2013  
Bars represent reference period asked in Employer Needs Surveys

## Reasons for hiring difficulties

### Entry-level positions



Too Few Applicants

Employability Skills

Low Pay

Soft Skills

Experience

Education

Technical Skills

Criminal Record

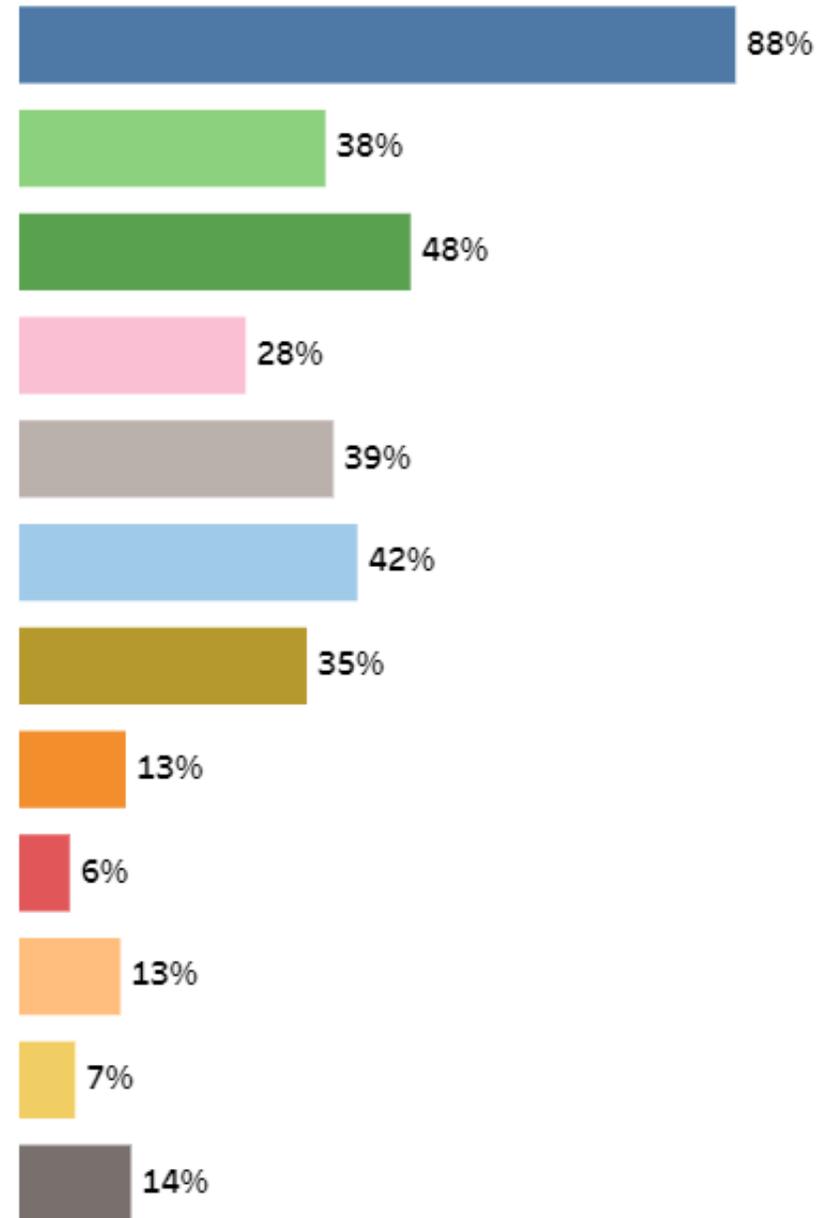
Childcare

Commuting Distance

Transportation

Drugs

### Above entry-level positions



88%

38%

48%

28%

39%

42%

35%

13%

6%

13%

7%

14%

# Reasons for Difficulties in 2020

## Entry-level:

- ↓ Employability Skills - 74%
- ↑ Too Few Applicants - 68%
- ↓ Experience - 50%
- ↓ Soft Skills - 46%
- ↓ Criminal Record - 38%
- ↑ Low Pay - 38%
- ↓ Technical Skills - 36%
- ↓ Education - 36%
- ↓ Commuting Distance - 33%
- ↓ Drugs - 26%

## Above entry-level:

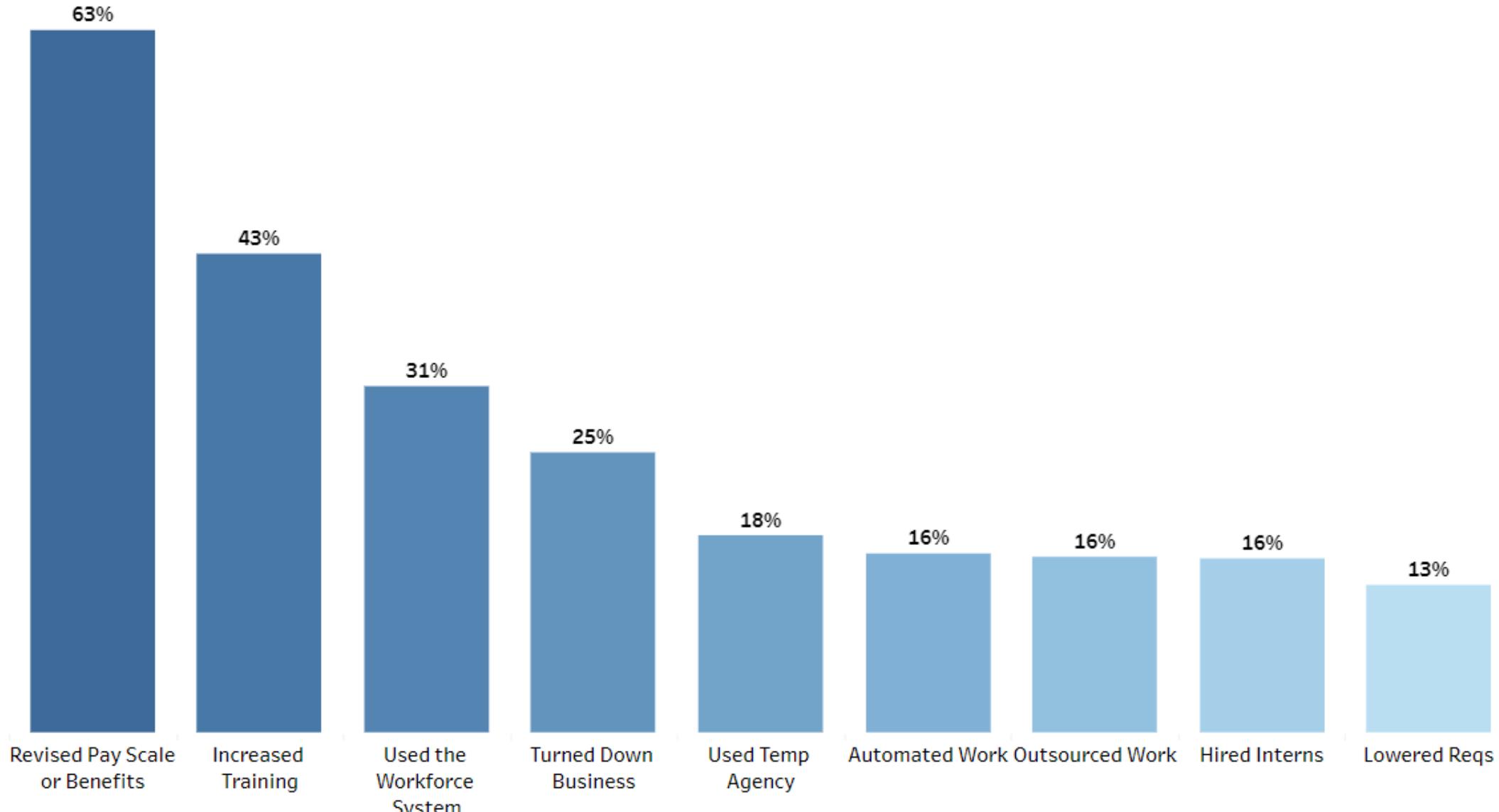
- ↓ Experience - 68%
- ↓ Employability Skills - 67%
- ↓ Technical Skills - 66%
- ↑ Too Few Applicants - 64%
- ↓ Education - 64%
- ↔ Low Pay - 49%
- ↓ Soft Skills - 48%
- ↓ Criminal Record - 40%
- ↓ Commuting Distance - 39%
- ↓ Drugs - 27%

\* Childcare and Transportation were not available options in the 2020 survey.



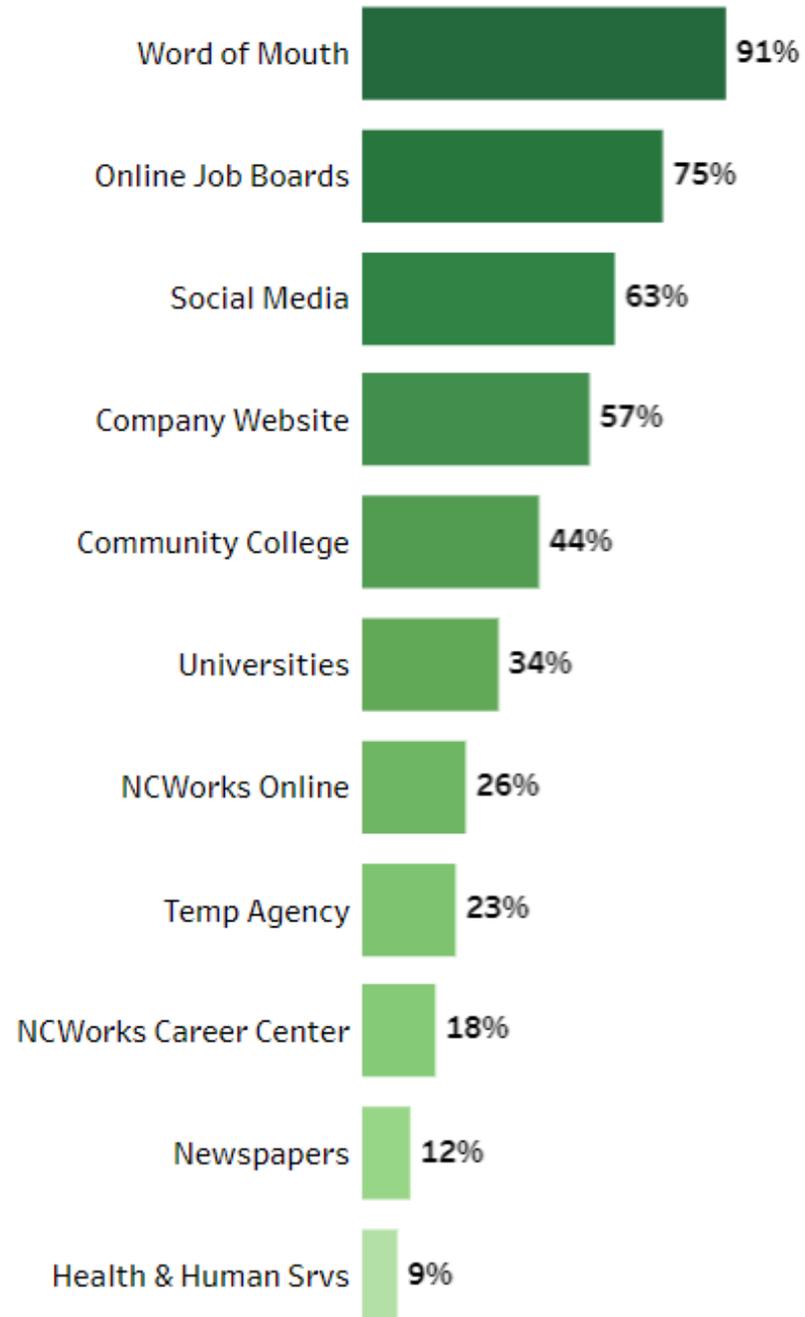
# Responses to Difficulties

Employer actions taken in response to hiring difficulties



# Recruitment

## Resources used to recruit applicants

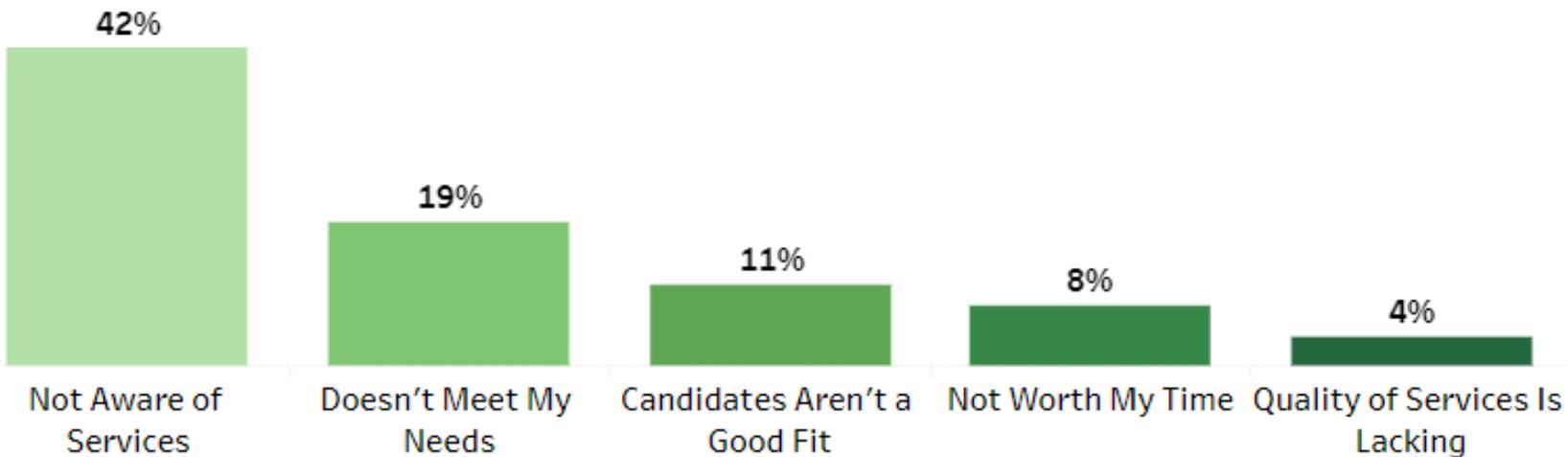


# NC Workforce System resources used

among those who used any Workforce Resources

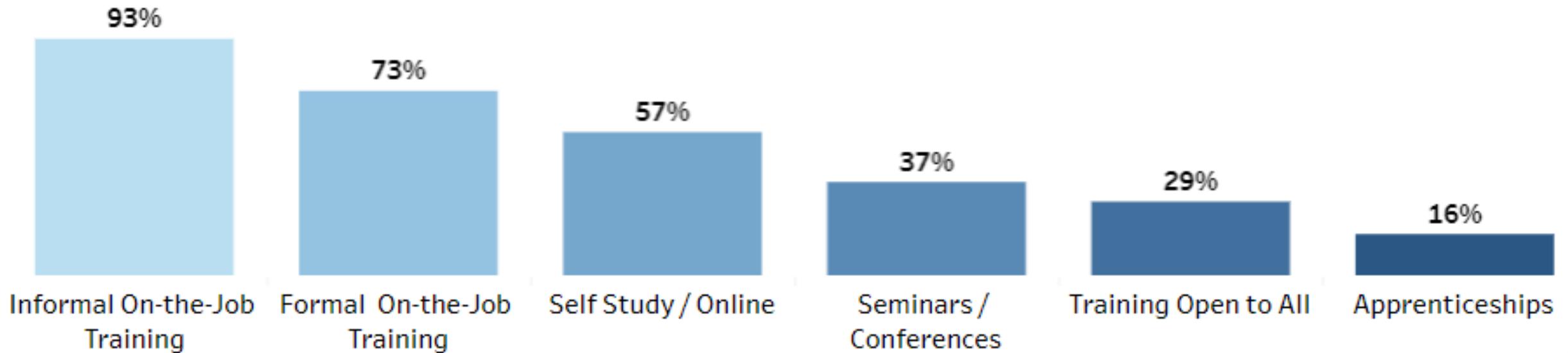


## Reasons for not using Workforce System resources

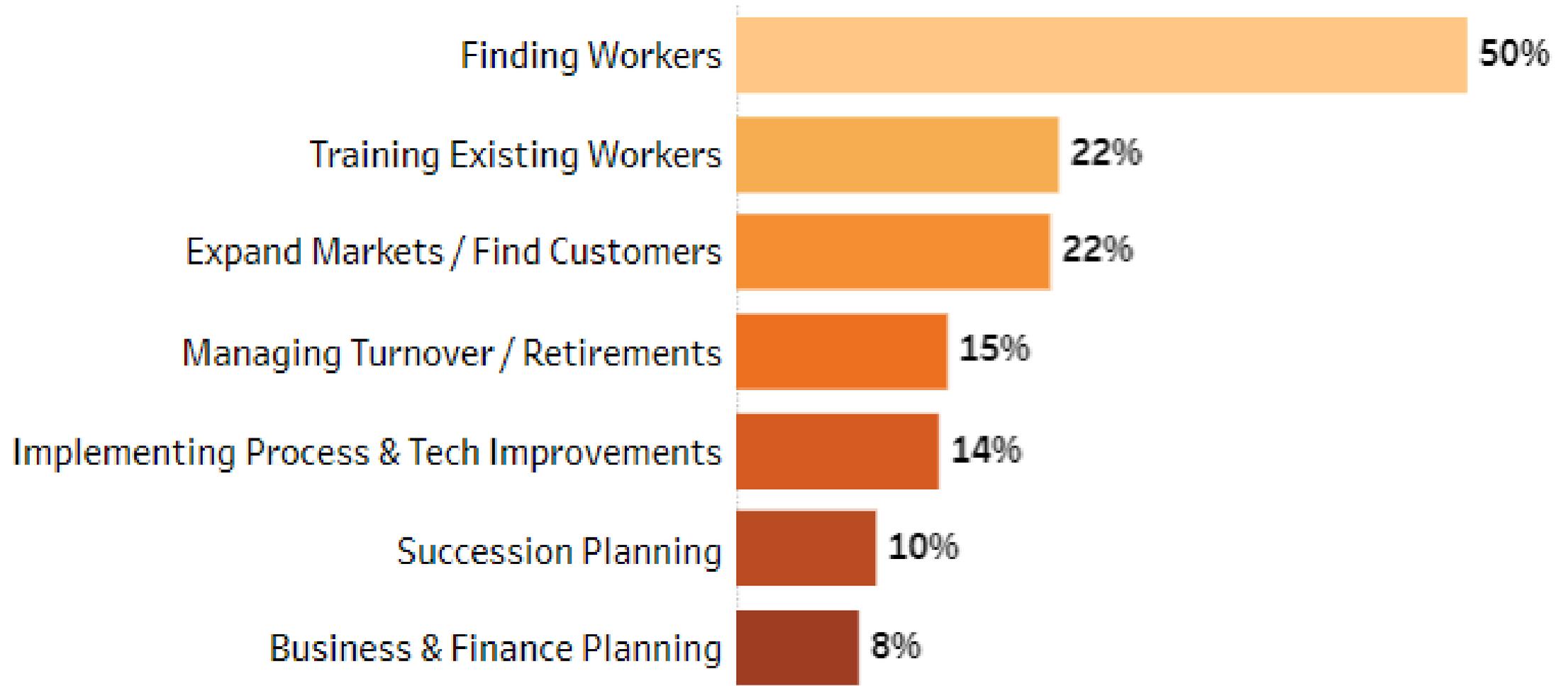


# Building Skills

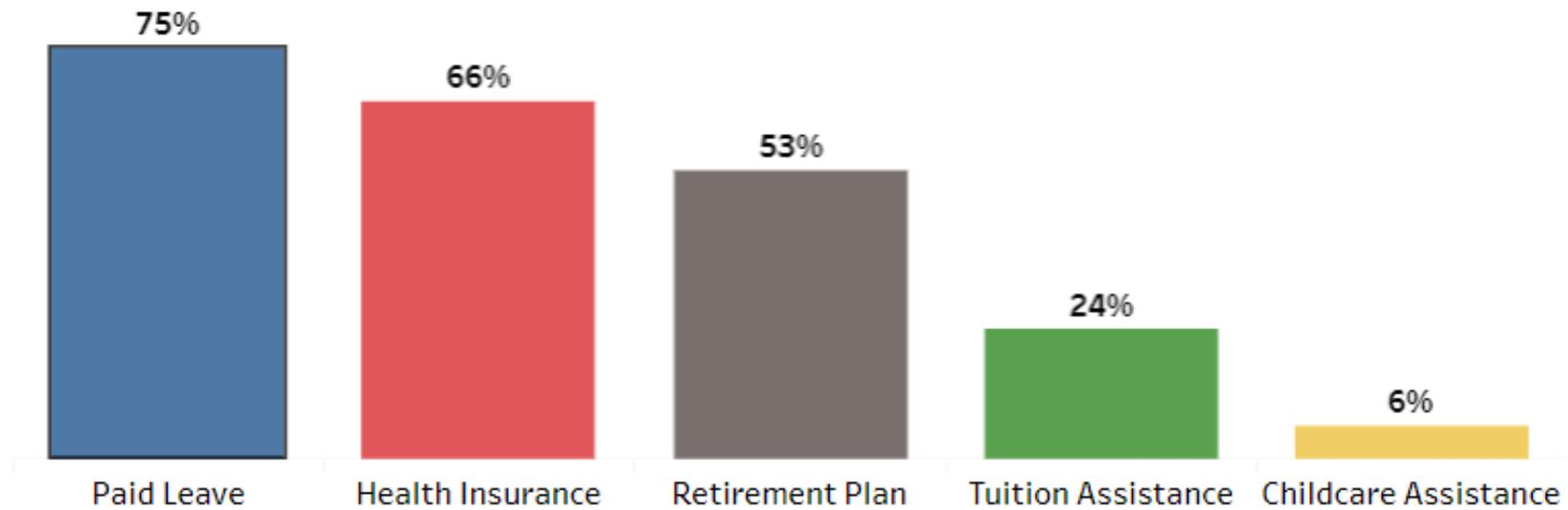
Resources used to build employees' skills



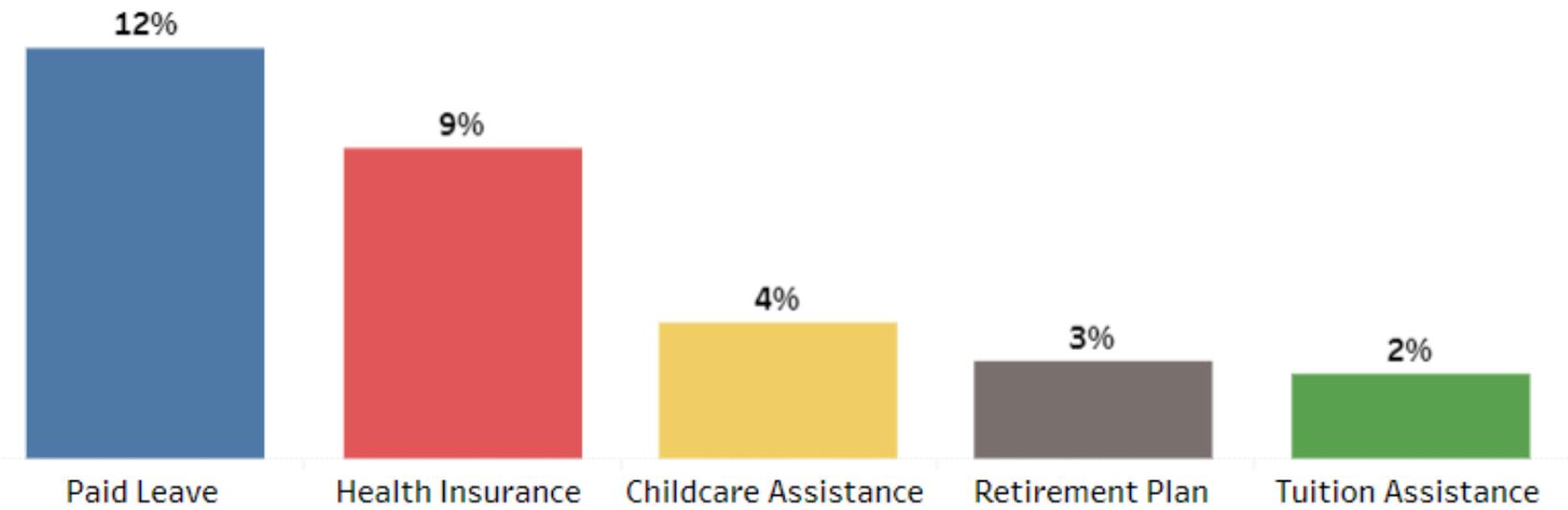
## Where the Workforce System can best help



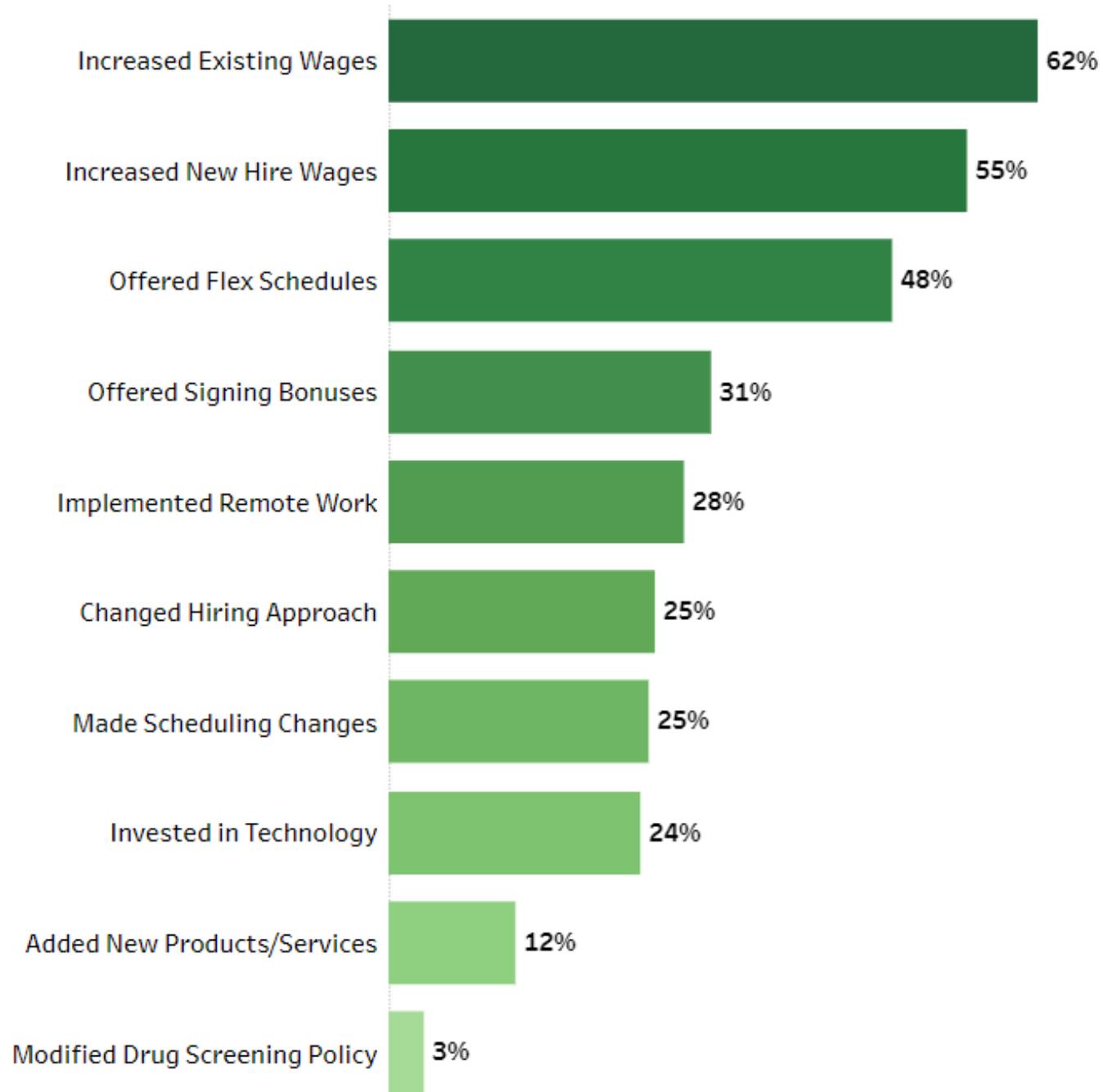
## Benefits currently offered



## Benefits added/expanded since the pandemic began

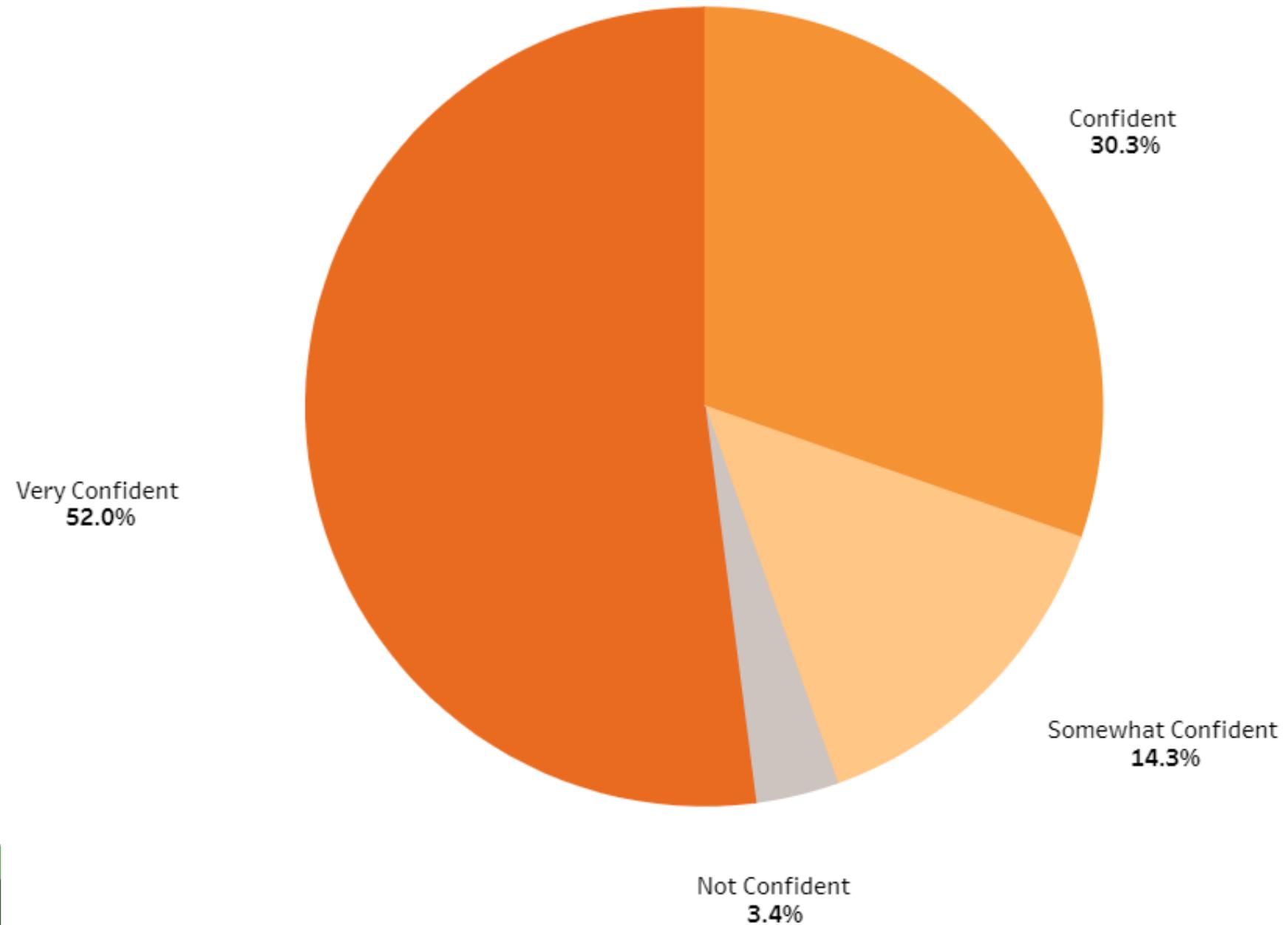


## Business changes made since the pandemic began



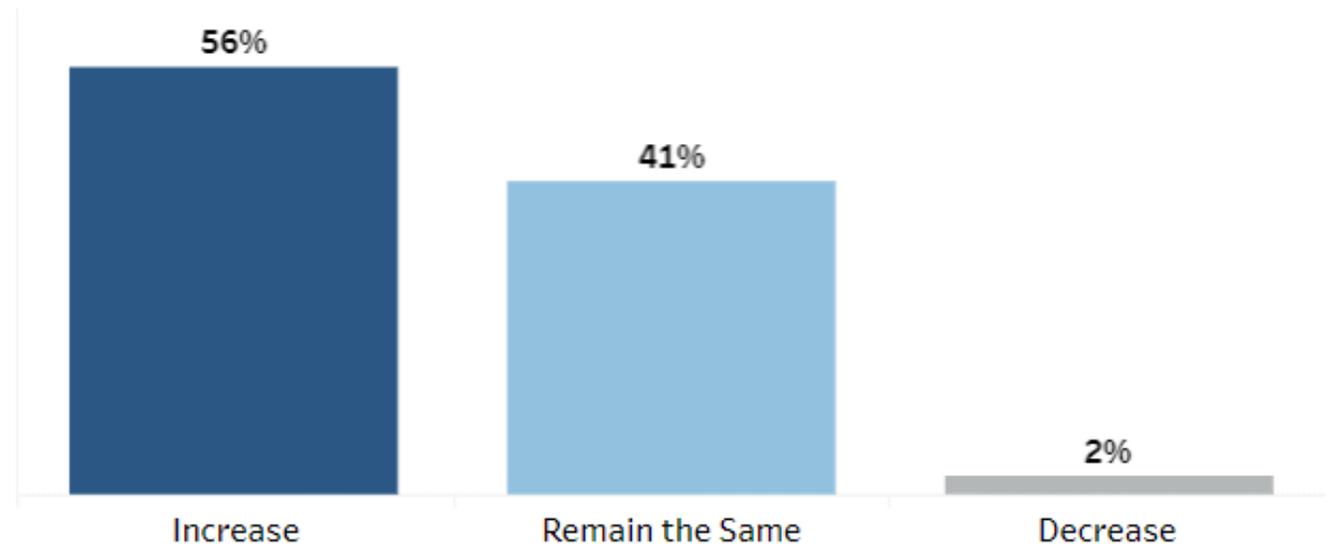
# Looking Forward

Confidence about next year's business success

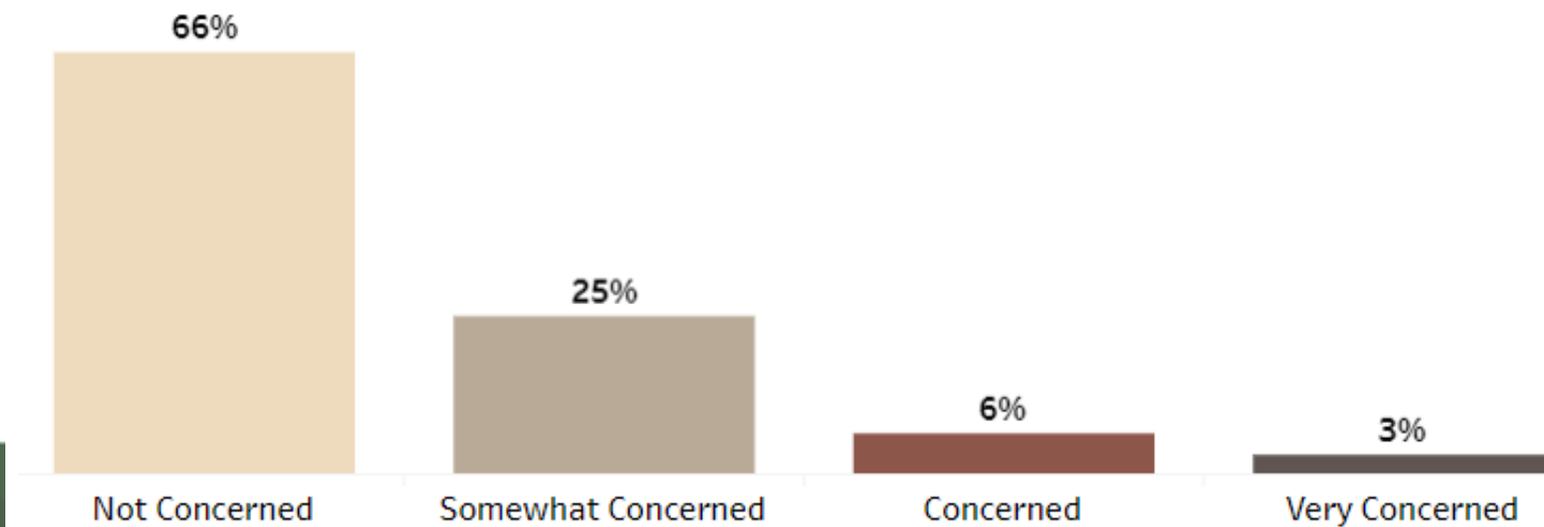


# Looking Forward

Projected employment next year



Concerned about employee retirements



# Meeting Employer Needs

- Employers need help recruiting and hiring
  - Are offered wages and benefits competitive?
  - Can scheduling be more flexible, including remote work?
  - Can job conditions be improved and are they accurately represented?
  - Are employers taking advantage of all available resources for recruiting?
  - Are employers considering overlooked or underrepresented applicants?
  - Can employers help develop the pipeline of future workers?
- Employers can also focus on existing workers
  - Are wages and benefits for existing workers competitive?
  - Are there opportunities for increased training?
  - Are there opportunities for promotion and advancement?
  - Are employers anticipating retirements and succession planning?



## 2022 Employer Needs Survey

Results for Businesses in All Industries

Industry Surveyed

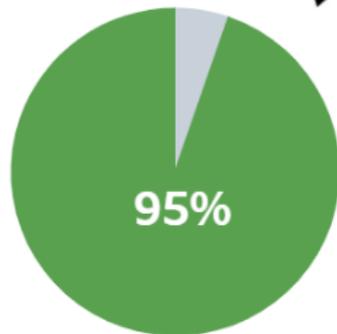
All Industries

86% of businesses in All Industries tried to hire employees over the past year.

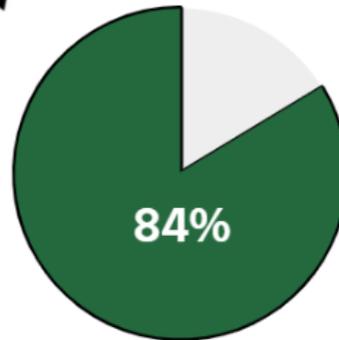
81%

had some difficulty hiring workers

69% claimed hiring has been more difficult than pre-pandemic conditions

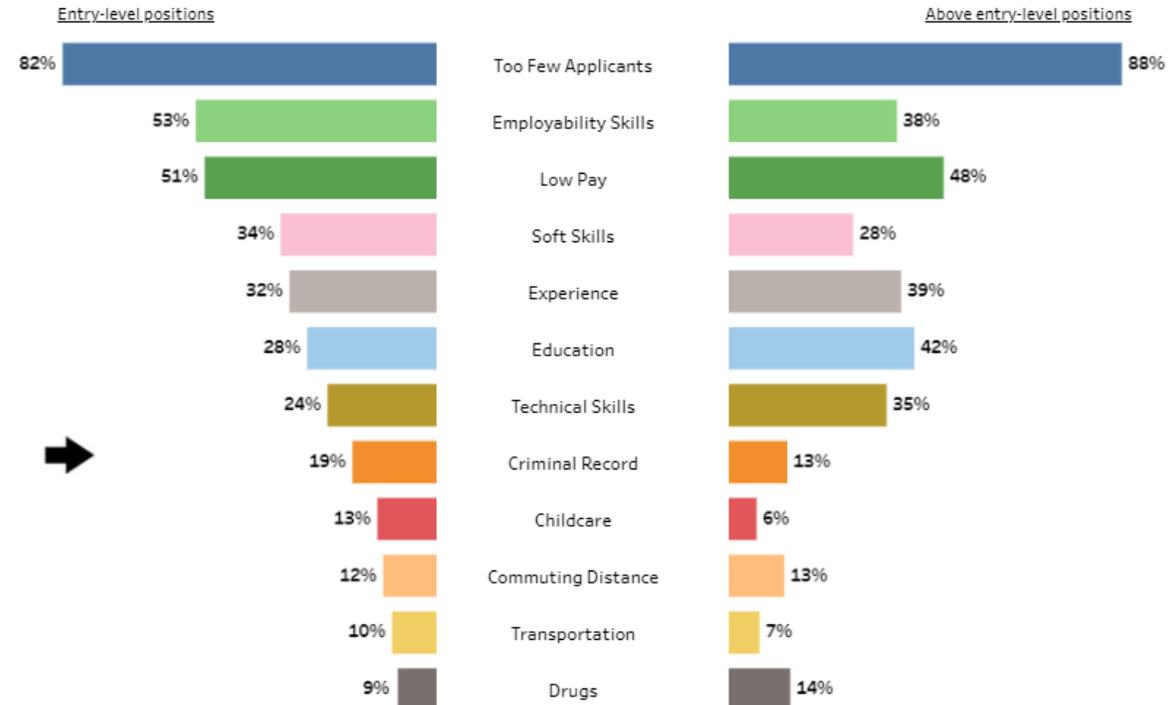


of those with difficulties were for Entry-Level positions



of those with difficulties were for Above Entry-Level positions

### Reasons for hiring difficulties



# Questions?

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