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## FOR IMMEDIATE RELEASE

# Are Discouraged Workers the Answer to the Labor Shortage? **NOW IS THE TIME TO GET BACK IN THE JOB MARKET**

**CHICAGO, October 25, 2018** – The unemployment rate in the United States is historically low, sitting around 3.7 percent in September, according to the Bureau of Labor Statistics (BLS). However, the current low employment rate does not include the more than 5 million workers who are no longer counted in those numbers. Now is the time for those who left the job market to start their job searches, according to one workplace authority.

“We are experiencing an incredibly tight labor market. Companies are in a war for talent, as skills shortages threaten to keep companies from operating at maximum capacity. Already, we have tracked over 700,000 holiday hiring announcements, the most since we began tracking in 2012,” said Andrew Challenger, Vice President of global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

Discouraged workers are those who are available and interested in obtaining work, and may have looked for employment in the last year, but were not counted in the government’s numbers because they had not looked for a position in the four weeks preceding the BLS survey.

“Discouraged workers typically are those who may have stopped searching due to an illness, are caring for a loved one, or have gone back to school or continued education programs. Others are discouraged at job prospects,” said Challenger.

Of the more than 96 million Americans who are not in the labor market, roughly 91 million did not want a job. However, 5,070,000 did want a job and 4,514,000 are currently available to work as of September 2018, according to the BLS. However, nearly 3 million had not looked for a job in the last year.

“People who want to work would be wise to jump start their searches right now. While it’s true that we tend to see the highest number of job cuts in the fourth quarter, companies are also getting ready to staff up not just for the holiday season, but also the New Year. This year in particular, we are seeing companies in dire need of workers. It really is a job seeker’s market,” said Challenger.

In fact, there are currently more job openings than workers available to fill them. According to the Job Openings and Labor Turnover Survey (JOLTS), there are 7.1 million openings, more than enough for the 4.5 million discouraged workers.

Meanwhile, as of September, hires and separations, an important indicator of the availability of jobs, are at 5.8 million and 5.7 million respectively, meaning companies are hiring more workers than are leaving, according to JOLTS.

“In fact, companies are reporting that candidates are ‘ghosting’ them – a term coined to describe what happens when you date someone and that person suddenly disappears. The job market is so good, job seekers are receiving offers and not only not accepting them, but also never responding to the potential employer,” said Challenger.

“It is not easy to start a job search, especially when there’s a gap in employment. Those who want to re-enter the job market may be discouraged because they feel they lack necessary skills or were lapped in experience during their period of joblessness. It can be very daunting to get back in the swing of a job search,” he added.

While significant, these obstacles are certainly not impossible to overcome. Challenger offered the following advice to discouraged workers looking to take advantage of the recent surge in job creation:

### **Reignite and reconnect with your network**

There may be a large portion of your network with whom you have not spoken in several months. Now is the time to reconnect with and expand your network. If you have not joined online networking communities like LinkedIn, do so now and start connecting with former colleagues, classmates, and other acquaintances. If you are on LinkedIn, revisit your list of contacts, as chances are good that their professional or personal situation has changed in recent months. So, not only do you have a reason to check in with them (to congratulate or otherwise acknowledge their changed circumstances), but that change could put them in a better position to help your job search. From each existing contact in your network that you reconnect with, make a goal to get the names of two to five new contacts they know who might be able to help with your employment search.

### **Remain positive**

Don't be defensive or take on the role of the victim when it comes to your prolonged unemployment. Avoid phrases like, "no one is hiring" and "nobody wanted me." Focus only on the positive attributes you possess and what you have done to keep your skills fresh. If the topic of your prolonged unemployment comes up, don't dwell on it. Move past it quickly with a statement like, "There have been many opportunities, but a mutual fit has been difficult to achieve. During this time, however, I have had the opportunity to round out my experience through education, professional development, volunteer work, etc."

### **Move away from a resume-centric job-search strategy**

Most Americans take the traditional approach to their job search: scour the help wanted ads and send out resumes by the hundreds. The only difference is that the help wanted ads have moved from the newspaper to the Internet. The biggest problem with this approach is that the resume is really just a way to weed out candidates. A long employment gap on a resume is going to stand out, and not in a good way. Even without the red flag of prolonged joblessness, relying on a resume to get your foot in the door is a numbers game that favors the employer. You might as well be playing the lottery. In today's market, employers posting a job opening will receive hundreds, if not thousands, of resumes. They will maybe find ten candidates to bring in for face-to-face interviews. Do you think they will go through every resume to find those ten? No. The initial key-word screening might narrow the field to 100 candidates a hiring manager will review. He or she will only go through enough resumes to find the ten candidates for interviews. Maybe that number is 50. If you are number 51 in that stack, you are out of luck.

### **Uncover the hidden job market**

The other problem with relying too heavily on help wanted ads -- whether online or in print -- is that these represent a small fraction of the available jobs. We estimate that as few as 20 percent of available jobs are ever advertised. The other 80 percent will be filled through employee referrals, personal connections, and other backdoor channels. This is why expanding and staying connected to one's professional and personal network is critical. It increases the chances of being in the right place at the right time, when one of these hidden opportunities arises. The other way to uncover these opportunities is to simply start contacting companies where your skills would be a good fit. Your goal is to make contact with key managers in the department(s) where you would work. Avoid going through the human resources department (unless that is your profession), as their goal is to screen you out.

### **Reset your expectations**

You may need to consider working for less money than you imagined, working in a different industry, or accepting a job title that differs from your aspirations. However, your primary objective at this point needs to be getting back on the payroll so you can start filling in the experience gap.

### **Step outside of your comfort zone**

An aggressive job-search strategy often requires you to do things that make you uncomfortable. Telling people you have not seen in ten years that you lost your job; cold-calling employers about job opportunities; asking a friend or former business associate for the names of five people who might be able to help with your job search, and then calling those people to request a meeting; or engaging in conversation with complete strangers at a networking event. These are difficult activities for the most confident among us, but you must abandon any misgivings you might have in order to find a position.

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NOTE: For two days every year, Challenger opens our phone lines to the public to answer burning career and job search related questions. Whether you want to find a new job or advance in your current role, Challenger's experts can give you tips and best practices to reach your goals.

Our experts are especially helpful in guiding the long-term unemployed and discouraged workers in finding new roles.

### **The Challenger Career Help Hotline**

December 26<sup>th</sup> 9amCT-5pmCT

December 27<sup>th</sup> 9amCT-5pmCT

**Hotline Number: 312-422-5010**