

After the Recession

Stiff competition and new strategies for finding work will make this recovery different from the past for job seekers in the Twin Cities.

The recession might be ending, but how people search for jobs and conduct business in the Twin Cities will be different from past recoveries. Employment forecasts for Minnesota show little change in 2010. Some sectors will add jobs and others will continue to contract, with the net result being little or no job growth in the coming year. This isn't

good news for the roughly 110,000 job seekers who are available and actively seeking work in the Twin Cities. Nor is it good news for businesses that need consumers—and their pocketbooks—to drive the demand for their goods and services.

Recovery is under way, and so is a new paradigm for many

job seekers and businesses. This article highlights some labor market and business trends after the recession. Topics include how workforce demographics have changed (and what that means for each generation competing in the labor market); the education, training and skills that Twin Cities businesses are seeking in employees; and the increase in social networking for helping people find work.

TABLE 1

Labor Force Participation and Unemployment Rates by Age in Minnesota

AGE	2000		2003		2006		2009	
	Labor Force Participation Rate	Unemployment Rate	Labor Force Participation Rate	Unemployment Rate	Labor Force Participation Rate	Unemployment Rate	Labor Force Participation Rate	Unemployment Rate
16 to 19 years	69.8%	11.4%	59.8%	16.9%	59.3%	14.7%	53.6%	21.1%
20 to 24 years	82.2%	6.0%	86.1%	8.9%	81.7%	5.7%	81.5%	12.6%
24 to 34 years	85.6%	4.2%	88.4%	6.8%	90.0%	3.8%	88.4%	6.9%
35 to 44 years	88.3%	3.3%	90.7%	4.2%	89.6%	2.4%	87.9%	7.3%
45 to 54 years	87.3%	2.9%	89.7%	4.6%	89.9%	3.1%	87.9%	6.5%
55 to 64 years	63.1%	3.6%	71.9%	5.1%	72.3%	2.4%	74.0%	5.6%
65 years and over	19.0%	6.4%	15.5%	5.3%	14.2%	3.4%	18.2%	4.8%

Traffic Jam Ahead

While the end of the recession hasn't been officially announced—and yes, there is a committee that makes this determination—most indicators point toward recovery.¹ What economic recovery means for job seekers might be different from the past, however. At the end of 2009, an estimated 113,640 job seekers were competing for 15,040 job openings in the Twin Cities, roughly 7.5 job seekers for every job opening.² Some employers are receiving hundreds of resumes and applications for every open position.

One clear trend during the 2007–2009 recession was the increased competition for jobs. Table 1 highlights labor force participation and unemployment rates by age group in Minnesota over the last decade. Youth labor force participation rates declined by more than 16 percentage points in the past 10 years, as Minnesota's youth opted for other opportunities, such as additional education. Those who choose to search for part-time or summer jobs are now forced to compete with a larger pool of job seekers, some with more skills and experience. As a result, average unemployment rates for youth ages 16 to 19 topped 21 percent in 2009.

On the other side of the generational spectrum, mature workers (ages 55 and over) are

Finding the Right Workers

What do employers want? The short answer is good employees. Companies spend a lot of money on training, so they want people who will stick with them and not waste their time. For job seekers to get noticed by an employer, a professional resume identifying their skills and a cover letter highlighting how those skills relate to the job are important.

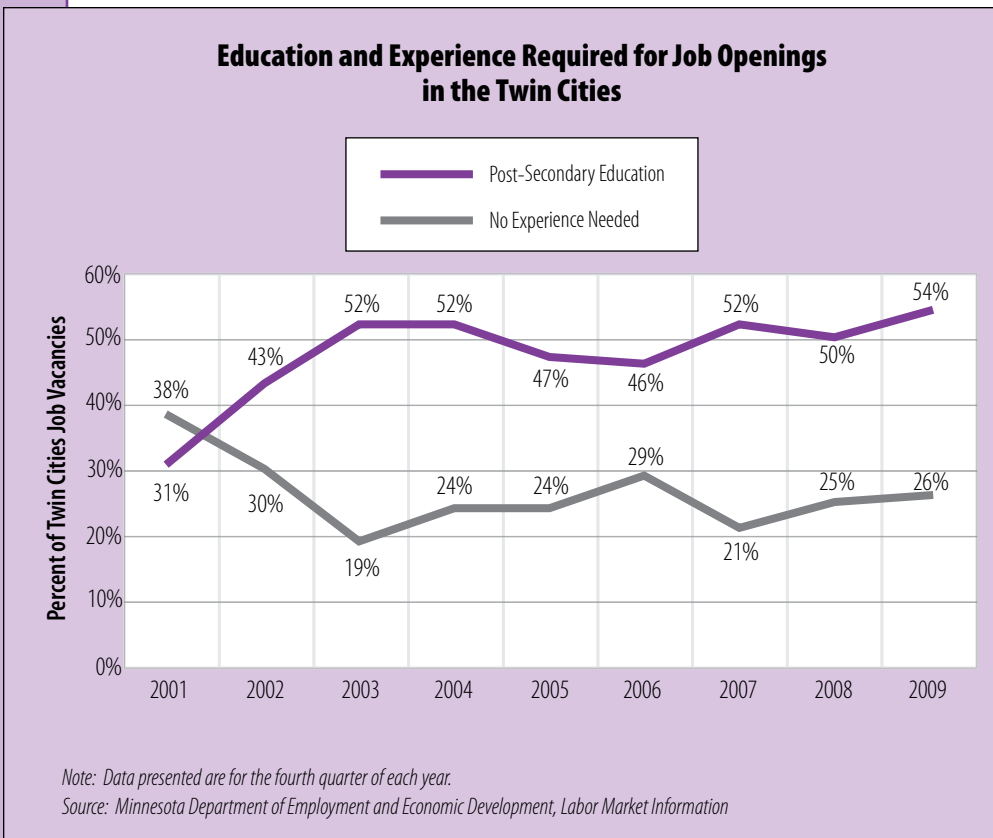
Good communication and appropriate attire are some of the “soft” skills employers frequently speak about. For jobs requiring more experience, workers must know new technologies within the field. Business often looks to the younger generation for this type of knowledge, but experienced baby boomers who are technologically proficient might be preferred.



participating in the labor market in even larger numbers. While some people have the desire

to work beyond the traditional retirement age, others work out of financial necessity. Average

FIGURE 1



unemployment rates for mature workers were up in 2009 as well, indicating that no group was immune to the recession.

Mature job seekers with more experience, skills and knowledge might have an advantage over their younger counterparts, and their high participation in the labor force could result in younger workers finding fewer opportunities in some career fields. Recent college graduates entering the labor force during a recession might have to look to alternative career choices in the interim. This might

create a traffic jam in some professions, with workers in their 60s staying in jobs longer and younger workers waiting longer for openings or advancement opportunities.

Know Yourself, Know Your Skills

In order to stay competitive in the labor market, job seekers must understand their skills and how they benefit employers. In an employer's market, job seekers have to sell themselves. While all jobs require a specific set of skills, transferable skills—good

communication, customer service and computer knowledge, for instance—are also essential. In fact, a recent survey by the Association of American Colleges and Universities found that employers want people who can work in complex workplaces, with an emphasis on the knowledge of human cultures and the physical and natural world, personal and social responsibility, and integrative learning.³

The level of education and experience needed by job seekers increases in an employer's market too (see Figure 1). In the Twin Cities, nearly 55 percent of job openings in fourth quarter 2009 required some form of post-secondary training, compared with 31 percent of openings during fourth quarter 2001. Likewise, the number of entry-level opportunities—those requiring no previous experience—declined from 38 percent in the fourth quarter of 2001 to 26 percent in the fourth quarter of 2009.

The job market in this recession clearly has been difficult. Employers can request higher levels of skills and experience than in the past, when fewer workers were competing for job openings. This trend is likely to continue: 65 percent of new jobs created in Minnesota between 2006 and 2016 will require

Generations in the Workplace

TRADITIONALISTS • BABY BOOMERS • GENERATION X • GENERATION Y

While it is unusual for four generations to occupy a single workplace, each generation brings different views, skills and approaches to work. We visited some businesses in the Twin Cities and gained some insights and points of view about each of these groups.

Many “**traditionalists**” (generally age 65 and over) are employed in high levels of management with little desire to retire. Others who have officially retired might still work in part-time or entry-level positions to stay active. Respected for their work ethic and insight, traditionalists have extensive knowledge that is disappearing from the workplace as they retire. Traditionalists are excellent mentors to younger workers and often prove to be a loss for employers when they retire.

Baby boomers (generally ages 46 to 64) enjoy advancement opportunities or have reached positions of authority within their professions or companies. Years of professional growth and development resulted in upward mobility for many. Many baby boomers plan to remain in their jobs until the economy bounces back, while many employers are interested in hiring boomers because of their extensive experience. Baby boomers who have not kept up with employment trends are forced to re-examine their past work and find new ways to change careers or receive training to qualify themselves for future opportunities. Those who have been laid off might take comfort in their extensive work histories and successful track records, but realize that they might have to settle for less money once they are re-employed.

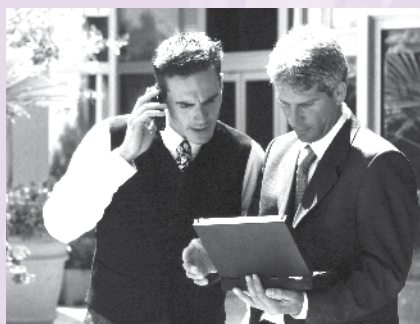
Members of **Generation X** (generally ages 30 to 45) have waited for opportunities to move upward and engage in new challenges. Some felt they had no choice but to job hop or to start businesses on their own or with others. Generation X’s way of working—and even searching for jobs—might not be the standard method used by older generations. This generation has a strong commitment to a work-life balance and takes advantage of every opportunity to grow professionally and personally.

Generation Y (generally under age 30) is waiting to assume higher positions as well. Valuing teamwork, Generation Y makes great use of the potential to build relationships. Generation X and Y together are helping to move their companies ahead with new technologies. ■



Networking for a Job

Networking is certainly an important component of searching for work. Increasingly, employers are relying on networking to find job candidates. Human resource managers often are overwhelmed with dozens, even hundreds, of resumes and applications for just one open position posted online or in the newspaper. To avoid that influx, some businesses have begun searching for job applicants through their own networks, such as current employees, family members, friends and even job boards where they have the ability to search resumes. While this tactic saves time and money for businesses, the downside is that job seekers might not see potential job opportunities unless they are linked to that particular network. **T**



a post-secondary degree or certification.⁴

Networking in a New Decade

The way people look for work—and how employers post jobs—is changing, too. It's estimated that 70 percent of jobs are found through networking, instead of using print help-wanted ads or conducting online job searches.⁵ And in today's labor market, networking has moved to the

virtual world with a proliferation of websites such as LinkedIn, Facebook, Twitter, Jobster, VisualCV and more. It's not just job seekers who are using these tools. Nearly half of all employers surveyed by CareerBuilder in 2009 used social networking sites to screen and evaluate their job candidates.⁶

Certainly, traditional face-to-face networking has not been replaced by social networking sites. Online social networking

may be easier for some people to access—it's quick and available anywhere by computer—but employment networking serves a direct purpose of connecting people to jobs. This is not the sole function of all social networking sites, so job seekers should consider how using these sites contributes to their job search—both in terms of how they network with other job seekers and employers and in terms of what they post online for an employer to see.

Conclusion

The economic recovery will continue in the Twin Cities in 2010 and beyond. That means job seekers will see strong competition for jobs, and employers will find many qualified potential employees. Job seekers will have an advantage if they understand their skills, know how to apply for a job posting online and can keep their virtual resumes updated. Networking is also important. As in the past, it's not only what you know, but who you know that often leads to a job. **T**

ENDNOTES

¹ The Business Cycle Dating Committee at the National Bureau of Economic Research (NBER) tracks business cycle expansions and contractions. See www.nber.org.

² Minnesota Department of Employment and Economic Development (DEED), Labor Market Information Office, Minnesota Job Vacancy Survey, Fourth Quarter 2009.

³ Association of American Colleges and Universities, January 2010 survey, accessed March 24, 2010, at www.aacu.org/press_room/press_releases/2010/employersurvey.cfm.

⁴ DEED, Labor Market Information Office, Minnesota Employment Projections, 2006-2016.

⁵ This is a frequently reported statistic that is attributed to a 2007 Bureau of Labor Statistics report. The authors were unable to find the original report.

⁶ CareerBuilder, August 2009 survey, accessed March 24, 2010, at www.careerbuilder.com/Share/AboutUs/PressReleases.aspx?archiveyear=2009.