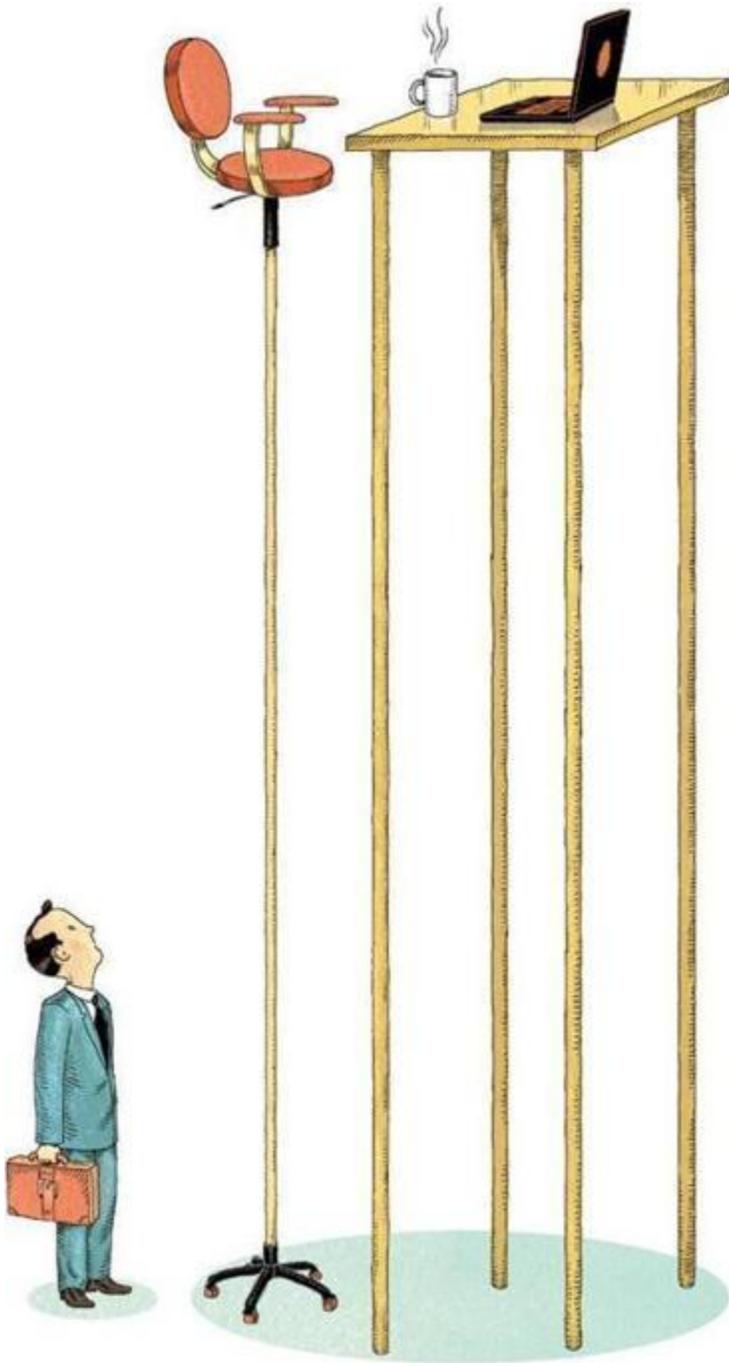


Workers' skills aren't matching available jobs

Unemployment remains vexingly high despite a slew of job openings. The reason? Workers often lack skills the new positions demand.

By Jay Fitzgerald Globe Correspondent December 15, 2013



Wesley Bedrosian for the Boston Globe

The Massachusetts unemployment rate remains above 7 percent, with more than 250,000 workers officially listed as unemployed. Thousands can't find full-time jobs. And thousands more are so discouraged by job prospects that they've stopped looking for work.

Yet the state's health care industry has thousands of job openings, with some individual hospitals needing hundreds of workers, both with and without college degrees, industry officials say. The booming life sciences sector — which includes biotech, pharmaceutical, and medical-device companies — also has plenty of jobs available, and not just for scientists with PhDs. Hundreds of full-time lab technician positions, which don't require college degrees, are going unfilled.

Even manufacturing, which has yet to fully recover from the recent recession, is experiencing acute shortages within certain fields, especially for workers trained to run sophisticated computerized machinery.

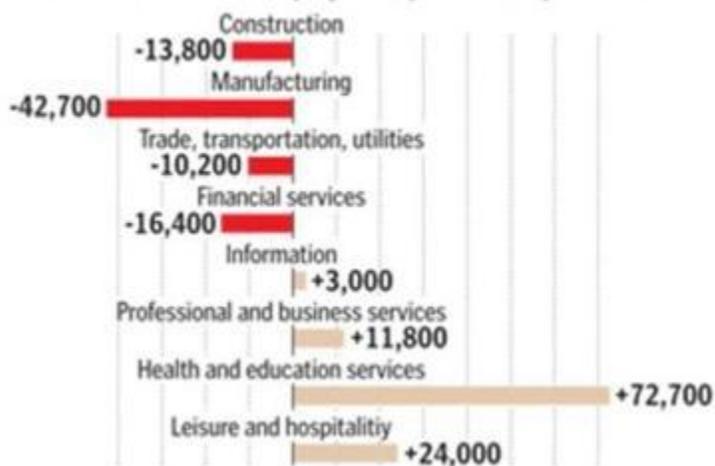
This contradiction between historically high [unemployment](#) and labor shortages in certain industries is partly the result of a changing economy that is demanding new and different types of skills and is leaving many workers behind. Four years after the last recession ended, policy makers, economists, and job-training specialists remain frustrated about how to get the right people into the right jobs — and drive down the jobless rate.

“There's a mismatch between the skills of the unemployed and the skills required by employers,” said Mark Zandi, chief economist at Moody's Analytics, the economic research subsidiary of the rating agency Moody's Corp. “The people stuck in unemployment are often those in construction, old-line manufacturing, and other industries that aren't doing as well, and they can't make the transition to another [profession].”

In other words, the skills in shrinking industries don't match those required in [growing ones](#). A look at employment statistics helps explain why some are finding it so hard to get work while others get recruited for jobs.

CHANGE FROM PEAK

Number of jobs gained or lost in industry categories in Massachusetts since employment peaked in April 2008.



SOURCES: Bureau of Labor Statistics, Northeastern University

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Though it is recovering, the construction industry is still down 13,800 jobs, or about 10 percent, from April 2008, when Massachusetts employment reached its prerecession peak, according to the US Labor Department. Manufacturing has 42,700 fewer jobs, and financial services 16,400 fewer jobs than their prerecession highs.

Yet health and education services, which include universities and hospitals, now have 72,700 more jobs than before the last recession.

The information sector, which includes Internet, data processing, and telecommunications firms, has gained 3,000 jobs from its prerecession peak. And professional and business services, which include many research, scientific, and information technology positions, have 11,800 more jobs than before the recession.

In any economy undergoing such labor market turmoil and shifts, said Northeastern University economist Alan Clayton-Matthews, it is simply unrealistic to expect tens of thousands of people trained for one occupation to suddenly retrain for an entirely different one.

“You can’t be roofing houses one day and breaking down molecules in a laboratory the next,” he said. “It’s not an easy switch for people.”

Sonja Stern, 50, a former marketing and customer-analysis manager for a local health insurer, has discovered just how hard it is to switch professions

After staying home to raise her children, Stern decided to reenter the job market two years ago and discovered that her computer skills were out of date for the type of data analysis she used to perform. She also found that when she came across an attractive job, many people with fresher skills were applying.

“It became very clear very quickly that I was a dinosaur, skills-wise,” said Stern.

But Stern, of Foxborough, heard that so-called medical coders, or specialized data-entry workers at hospitals, were in great demand. She started taking courses at Fisher College in Boston and last month landed a part-time internship as a medical coder at Beth Israel Deaconess Medical Center in Boston.

“I’m hopeful it will work out,” said Stern, who could get paid from \$40,000 to \$60,000 as a full-time medical coder.

Beth Israel Deaconess, meanwhile, has hundreds of jobs to fill over the coming year, including positions for medical coders, nurses, nursing assistants, and other occupations. “It’s really hard to find people with the right skills,” said Joanne Pokaski, the hospital’s director of workforce development.

Besides skill mismatches, there are other explanations for labor shortages during a period of high unemployment. Geography can play a role, for example, if jobs are created in areas where unemployment is relatively low, but not where joblessness is high.

Many economists, however, caution against making too much of reports of labor shortages. The main problem for the US and Massachusetts economies is not too few available workers, but too many. And the solution, they say, is finding the spark to accelerate the plodding recovery.

“This is simply a stunningly weak economy with a very weak labor market,” said [Peter Diamond](#), a Nobel Prize-winning MIT economist. “We’re not producing enough jobs. There are always places in an economy where one industry is doing better than another, due to technological changes and other changes. But the big problem is really about the economy as a whole.”

Andrew Sum, director of Northeastern University’s Center for Labor Market Studies, said that if a lack of workers was as serious as some employers contend, wages would be rising. But wages, adjusted for inflation, have remained flat for the past five years.

“I don’t deny that some sectors are doing better than others and they might even be seeing [labor] shortages,” said Sum. “But, overall, there’s no labor shortage for the entire economy. The shortages we have are very isolated.”

One of those areas may be the biopharmaceutical industry, said Jill Chanin, vice president for the Boston area at Kelly Services Inc., a job placement firm. Chanin said her company is constantly on the prowl for qualified lab technicians, who can earn \$16 to \$30 an hour with benefits. But too many candidates lack associate’s degrees or certificates that biotech and pharmaceutical companies require.

“It’s unfortunate, but the demand for jobs doesn’t always match up with the skills of candidates,” said Chanin, adding she’s also seeing intense demand for qualified engineers and software developers.

Cody Sisson, owner of [Sisson Engineering Corp.](#), a Northfield machine shop, said his industry can’t find enough skilled workers to operate computerized manufacturing equipment, known as “computer numerical controls,” or CNC. Sisson’s company, which employs 20, makes precision parts for medical-device, telecommunications, electronics, robotics, and other products.

Sisson also is vice chairman of the Franklin Hampshire Regional Employment Board, which oversees publicly funded workforce training and placement programs in Western Massachusetts. Government, he said, could do more to help train workers for high-demand jobs.

But the real problem is that many large companies, particularly manufacturers, no longer take it upon themselves to train workers through apprenticeships, internships, and other programs, he said. And the consequence is a labor force not prepared to perform many modern jobs.

“You see people who need jobs and they look beaten down,” said Sisson. “You can see it in their eyes. They’re moral, decent, good people, but they don’t have the right skills. The system has not supported them for what they were brought up to do.”

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