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## Small Business

## A Sea of Job-Seekers, but Some Companies Aren't Getting Any Bites

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After the latest, disappointing unemployment figures, policy makers and economists continue to debate how American companies might create more jobs. But business owners and recruiters say thousands of jobs around the country are sitting vacant, particularly at small and midsize companies.



Drew Greenblatt, the president of Marlin Steel, currently has five openings for machine operators.

"Companies all over are having a difficult time recruiting the kind of people they're looking for," said Robert Funk, chairman and chief executive of Express Employment Professionals, a national staffing firm based in Oklahoma City that helped some 335,000 people land jobs last year. "We currently have 18,000 open job orders we can't fill."

How can so many jobs remain unfilled with unemployment so high? One explanation is that many would-be workers lack the necessary skills to fill those positions. "There is higher demand for skilled jobs and less demand for unskilled positions than we've seen coming out of past recessions," Mr. Funk said.

Case in point: Gabriel Shaoolian, chief executive of Blue Fountain Media, a Web design and marketing company

with 85 employees in New York, said he had 10 openings right now because his company could not find enough highly qualified people with technical backgrounds.

"If you're a professional developer, Web designer or online marketing specialist, you can pick the company you work for," Mr. Shaoolian said. "There is a shortage where demand severely outstrips supply."

To fill those jobs, Mr. Shaoolian said his company had used online job boards like Monster.com and Craigslist over the last two years, but found the experience frustrating because most of the applicants were unqualified. "It was catastrophically bad," Mr. Shaoolian said. He said the social networking site LinkedIn had brought better results, in part because candidates could be vetted more effectively based on their connections and past experience.

Unable to find qualified candidates quickly enough domestically, Mr. Shaoolian has turned to hiring freelance contractors — many based outside the United States. "Greece may be struggling with their economy, but their developers are phenomenal and they are in high demand," he said.

But it's not just software and information technology skills that seem to be in short supply. A recent ManpowerGroup survey ranked I.T. positions third, behind skilled trades and engineers, among the toughest positions to fill. Others in the top 10 included sales representatives, accounting and finance staff, drivers, mechanics, nurses, machine operators and teachers.

Many of these jobs require skills an individual can acquire without investing in a four-year college degree. For example, Jeff Silver, chief executive of Coyote Logistics, a fast-growing provider of third-party logistics services — he calls it a trucking company without trucks — said that there were an estimated 300,000 open trucker jobs right now in the United States.

"Driving a truck is not something anyone can do because you do need a license and to be able to pass a drug test," said Mr. Silver, whose company is based in Chicago. He estimated that a typical trucker could earn \$35,000 to \$70,000 a year. "But it's not a glamorous job."

The shortage of truckers is likely to get worse before it gets better, said Charles Hoag, a district manager for Copeland Trucking, which is based outside Minneapolis. That's because there are not enough young people getting the driving experience they would need to replace aging drivers.

"Finding and keeping good drivers is a constant struggle," Mr. Hoag said, "I think it boils down to high expectations. Trucking is the classic blue-collar job that nobody wants anymore."

That challenge is magnified because insurance companies typically require drivers to have up to two years of experience driving a truck before they will cover them, Mr. Hoag said. While larger companies can afford to train drivers, Mr. Hoag said he relied on Craigslist and a Minneapolis recruiter to find them — but the recruiter, he said, "is struggling to find people, too."

Because he is almost always short one or two drivers, two of his 13 trucks almost always sit idle — and since the trucks are leased, they still cost \$2,000 a month each. "The lack of qualified drivers is directly costing my business," Mr. Hoag said.

Drew Greenblatt is another owner who worries that the lack of skilled job candidates is damaging his business. "Over the past couple of years, we <u>invested in robots to help us win back jobs from China</u>," Mr. Greenblatt said. His company, <u>Marlin Steel Wire Products</u>, is based in Baltimore, where it <u>manufactures high-quality sheet metal products for customers like Pfizer, Caterpillar and Toyot</u>a. "But our big problem is that we don't have enough talent to run those machines at off hours, which means they sit dormant 70 hours a week when they could be working."

Mr. Greenblatt currently has <u>five openings for machine operators</u>, <u>positions that don't require college degrees</u> but pay, on average, about \$60,000. What candidates do need are skills like the ability to operate a computer, read a blueprint and use a caliper.

"I mean these are the kind of good middle-class jobs this nation needs," said Mr. Greenblatt, who has hired a temporary agency to try to help him find qualified workers. "But we're hamstrung because we can't get the people we need to come work for us. We're in the middle of a recession and we have to hire someone to help us find talent. It's so upside down."

While there has been an emphasis on the shortage of graduates with so-called STEM skills — science, technology, engineering and math — employers like Mr. Greenblatt also bemoan the lack of basic social skills among many job applicants.

"My <u>operators are in constant contact with our customers</u>, so they need to be able to articulate through e-mail," Mr. Greenblatt said. "But you'd be surprised at how many

people can't do that. I can't have them e-mailing Boeing or Pfizer if their grammar is terrible."

Facing a lack of experienced candidates, some companies are willing to train employees to fill particular positions. But given the high cost of bringing on and training a new employee — and the risk of seeing that well-trained employee leave for another company — many businesses are putting candidates through longer and more thorough rounds of personality screening tests and interviews to try to ensure the candidate will fit into a company's culture. And that means it can take longer to fill jobs than it did in the past.

"I think there is more of an emphasis on recruiting for soft skills like social and relationship skills than ever," said Jack Stack, chief executive of SRC Holdings in Springfield, Mo., whose company added some 600 hourly and salaried jobs in 2011 and expects to hire 400 more employees in 2012. "We can train someone for a particular technical skill but if you have an attitude problem, you can destroy a village."

Given SRC's rapid hiring, Mr. Stack has asked Keith Boatright, SRC's director of human resources, to introduce personality and character assessments into the hiring process while also expanding the company's recruiting efforts beyond the Springfield area, especially for highly skilled positions like logistics experts or engineers familiar with natural gas power systems.

"SRC has been kind of spoiled for a while because we never had to bang rocks together to get recruits," said Mr. Boatright, who joined SRC two years ago. "Now for the first time we have had to challenge our H.R. team to have a sales mentality and to develop pipelines to get the right people, since it might take us interviewing 30 people before we find the one we want. The lack of qualified workers has become a definite threat to our growth strategy."

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