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**Report: Michigan employers challenged short term by worker-skills shortage,
long term by worker-education shortage**

Study finds need for Michigan workers to gain both right combination of education attainment and experience, and notes that some high demand jobs may have over supply of talent

DETROIT, Mich., Mar. 21, 2013— Michigan is following a national trend towards becoming a knowledge-based economy across all industry sectors, including traditional ones such as agriculture and manufacturing. The trend is causing employment and income growth to be increasingly driven by education levels and has major consequences on how Michigan should best support economic growth, according to an in-depth study released today by Business Leaders for Michigan (BLM).

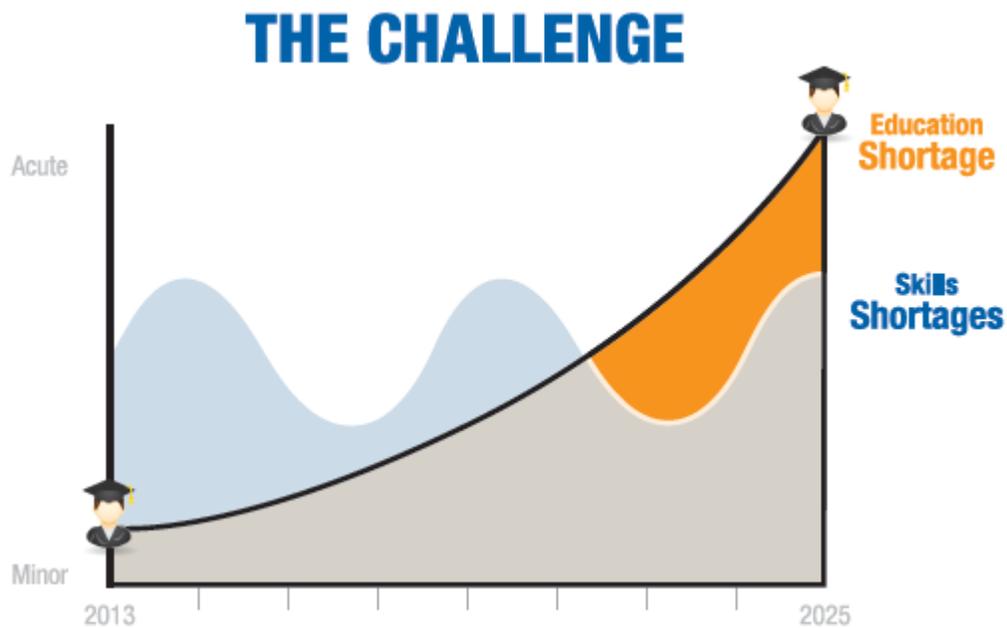
The three primary findings of the BLM study are:

1. In the short run, Michigan generally appears to be producing talent with the right education, but not enough workers have the experience and skills that job providers need.
2. In the long run, Michigan faces challenges producing enough talent with the right education. Michigan's slow population growth and low educational attainment cannot keep pace with the projected increase in the demand for educated talent.
3. If current trends continue, Michigan could find itself with too many people in need of lower-skilled, lower-wage jobs and not enough workers for many higher-skilled, higher-wage ones. Further, not all high-paying, high-demand positions may experience a shortage of talent. This will require greater collaboration to anticipate future job employer needs through our education systems and responsive training programs.

“About half of all employers currently hiring for above average wage jobs are having some difficulty finding people with the right skills and experience,” said Business Leaders for Michigan President and CEO Doug Rothwell. “Skills shortages are common when economies come out of recessions and need to be addressed, but in the future Michigan will face a greater challenge in producing enough college and university educated talent. The state needs both a well-educated

workforce that can compete in a knowledge-based economy and one with constantly upgraded skills to meet evolving demands.”

The BLM study also concluded that it is difficult to forecast future job openings because of a volatile economy and rapidly changing job needs. “Even high-demand occupations can experience an over-supply of talent when there are more graduates being educated in a field than there are projected job openings,” said Rothwell. “For example, teaching is one of the top ten high-demand occupations, but we’re projected to graduate more teachers than we can hire in Michigan.”



Businesses surveyed for the study recommended the state expand an on-line talent matching service (MiTalent.org) to help workers know where the good jobs are, and then offer customized education and training that helps them build the skills they need to get those jobs.

Rothwell said the report reinforces BLM’s call for stronger school-to-work transition programs, making college more affordable, dramatically increasing college enrollments by attracting more in- and out-of-state students, and growing or attracting new businesses that leverage Michigan’s inherent strengths such as its unparalleled engineering talent.

“Overall, the good news is that Michigan’s economy is growing again after a decade of job losses resulting in even stronger demand for educated talent,” Rothwell said. “We live in a dynamic marketplace where economies, businesses, and jobs are being redefined faster than ever. A solid foundation of learning, coupled with solid skills and experiences, offers Michigan residents the best opportunity to compete effectively for quality jobs that pay well.”

BLM’s report, *Business Leaders’ Insights: Michigan’s Workforce Strengths and Challenges*, was developed from statewide surveys and polls, government data sources, and research compiled by

Kelly Services/Economic Modeling Specialists Inc. and Anderson Economic Group. It can be accessed at <http://www.businessleadersformichigan.com/research-reports/>.

Business Leaders for Michigan, the state's business roundtable, is dedicated to making Michigan a Top Ten state for job, economic and personal income growth. The organization is composed exclusively of the chairpersons, chief executive officers, or most senior executives of Michigan's largest companies and universities. Our members drive over 25% of the state's economy, provide over 325,000 direct and 820,000 indirect jobs in Michigan, generate over \$1 trillion in annual revenue and serve nearly one half of all Michigan public university students. Find out more at: www.businessleadersformichigan.com

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