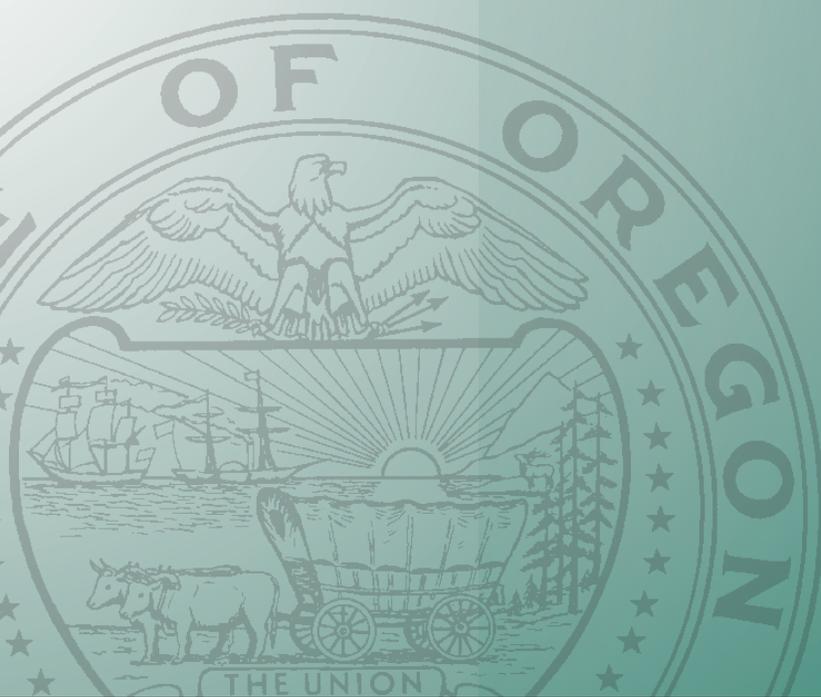


Oregon's Current Workforce Gaps



Hiring Challenges for Unfilled Job Vacancies

May 2019





For questions regarding the content of this publication, contact Gail Kiles Krumenauer,
Gail.K.Krumenauer@oregon.gov,
(503) 947-1268

This and other reports from the Workforce and Economic Research Division of the Oregon Employment Department are available on the Publications page at **QualityInfo.org**

Special thanks to those whose work contributed to this report:

Nick Beleiciks	Will Burchard	Sarah Cunningham	Chris Greaves
Leanna Harmon	Anna Johnson	Gail Krumenauer	Paul Marche
Jessica Nelson	Kathi Riddell	Bob Uhlenkott	

The Oregon Employment Department is an equal opportunity employer/program.
Auxiliary aids and services are available upon request to individuals with disabilities.
Language assistance is available to persons with limited English proficiency at no cost.

Table of Contents

Identifying Current Workforce Gaps	4
What Do We Mean by a Vacancy?	4
Key Findings	5
Characteristics of Job Vacancies in Oregon	6
Snapshot of All Vacancies	6
Why Are Job Vacancies Difficult to Fill?	7
Tangled Trio: Education, Experience, and Wages	9
More Experience, More Difficulty Hiring	9
More Education, More Experience Required	9
Education and Experience Pays	11
Difficulty Filling Vacancies by Industry	12
Occupations with the Most Difficult-to-Fill Vacancies	15
Passing a Drug Test	17
Difficulty Filling Majority of Vacancies Across the State	18
Putting the Job Vacancy Survey to Work	20
Economic Conditions and Expectations	20
Training to Fill Workforce Gaps	22
Gaining and Highlighting Experience	22
Ongoing Difficulty Filling Job Vacancies	23
Appendix A: Examples of Business Survey Responses	24
Appendix B: Oregon Job Vacancies by Industry	25
Appendix C: Occupations with 200 or More Vacancies	26
Appendix D: Oregon Job Vacancy Survey Form	27

Identifying Current Workforce Gaps

Oregon has been in the current economic expansion for nearly a decade. The state's unemployment rate has remained at or near a historic low for more than two years. This long stretch of job growth and record low unemployment has created a tight labor market in recent years, with a relative abundance of job opportunities and a relative scarcity of job applicants. So it makes sense that Oregon employers have reported the majority of job vacancies as difficult to fill.

Oregon's annual Job Vacancy Survey is designed to identify employers' vacancies, which ones they have a difficult time filling, and to get a business perspective on why these jobs may be going unfilled. The Employment Department surveyed 13,800 private-sector employers over the course of the year and received responses from 5,000. Their responses were used to create estimates of job vacancies at Oregon businesses.

The findings of this report offer valuable information to businesses, workforce developers, and job seekers. Employers will be able to identify the common struggles they collectively face when trying to fill their vacancies, and how to make their recruitments attractive to today's job seekers. Workforce developers will be able to identify gaps both overall and in specific areas of the workforce, helping to inform their efforts to close gaps and help Oregon's economy grow. Job seekers will be able to identify the types of jobs with the most vacancies and help prepare themselves for the expectations employers have of their applicants.

What Do We Mean by a Vacancy?

The job vacancies in this report are an estimate of the number of job openings "at any given time" in 2018. Surveys are collected quarterly from a sample of private businesses with two or more payroll employees. All quarterly responses were pooled to create the annual estimate of 58,000 job vacancies.

Hiring demand varies by season; the number and types of job openings change during the course of the year. Seasonal job vacancy reports are available at QualityInfo.org/pubs

Quarter	Vacancies	% Difficult to Fill
Winter	49,456	59%
Spring	65,083	48%
Summer	63,478	60%
Fall	60,508	55%

Key Findings

1. At any given time in 2018, Oregon's private employers had 58,000 job vacancies. They reported difficulty filling 33,000 (or 57%) of those job vacancies.
2. In a nearly decade-long stretch of annual job growth, and two years of Oregon's unemployment rate at or near its record low, a lack of applicants has been the greatest challenge businesses face in filling job vacancies.
3. Two-thirds (67%) of difficult-to-fill job vacancies required previous work experience, while closer to one-third (38%) of job openings filled without difficulty required previous experience.
4. Job vacancies requiring education beyond high school offered higher starting wages on average, and were also more likely to require previous experience.
5. Vacancies with higher education requirements, more previous work experience requirements, or a combination of both tend to offer higher wages, and tend to be more difficult job openings for employers to fill.
6. Health care and social assistance had the largest number of difficult-to-fill vacancies (5,500), while construction reported the largest share of all vacancies as difficult to fill (85%).
7. Some top occupations by number of difficult-to-fill vacancies – personal care aides, truck drivers, farm workers – have consistently been among the most challenging job openings for employers to fill for years.
8. While the Portland Metro area reported the largest number of difficult-to-fill job vacancies (12,700), the East Cascades and Southwestern Oregon regions reported the largest shares of vacancies as difficult to fill, at 73 percent and 68 percent, respectively.
9. While current economic conditions create hiring challenges, employers may be able to compete for labor by raising wages, enhancing employment benefits, increasing their recruitment intensity, lowering experience requirements, or partnering with education or training entities to train the available labor force for needed skills.
10. Job seekers can see employers' reported hiring challenges and preferences, and highlight any relevant experience, whether in a formal workplace, through a sponsored training program, or unpaid volunteering. Demonstrated soft skills and schedule flexibility may also give job candidates an advantage.

Characteristics of Job Vacancies in Oregon

Snapshot of All Vacancies

Private employers in Oregon reported 58,000 job vacancies at any given time in 2018. Starting wages averaged \$17.63 per hour. Businesses reported difficulty filling 33,000 of their job vacancies, which accounted for 57 percent of the total.

Four out of five job vacancies were for full-time positions, and nine out of 10 openings were for permanent positions, regardless of whether or not the vacancy was difficult to fill. Similarly, relatively few hard-to-fill job vacancies (34%) or vacancies filled without difficulty (27%) required education beyond high school.

Snapshot of Oregon's Job Vacancies in 2018

	All	Difficult to Fill	Filled Without Difficulty
Vacancies	57,960	33,023	24,937
Average wage	\$17.63	\$18.76	\$15.48
Full time	79%	80%	78%
Permanent	89%	91%	88%
Require education beyond high school	32%	34%	27%
Require previous experience	54%	67%	38%
Difficult to fill	57%	100%	0%

Source: Oregon Employment Department

Difficult-to-fill vacancies had two high-level differences in 2018. First, they paid an average of \$3 per hour more than vacancies filled without difficulty. Difficult-to-fill vacancies were also far more likely to require previous work experience (67%) than job openings filled without difficulty (38%). Businesses generally faced greater challenges filling job vacancies with experienced candidates in a tight labor market with record low unemployment and continued job growth.

Why Are Job Vacancies Difficult to Fill?

For each difficult-to-fill vacancy, employers offered open-ended responses to identify the primary challenge for the unfilled opening. Their responses were then sorted into 12 categories (see Appendix A for definitions and illustrative examples).

Difficult-to-Fill Vacancies in Oregon, 2018 Primary Reason Provided by Employer

	Difficult-to-Fill Vacancies	Share with Reasons Provided
Difficult-to-Fill Categories for Employer-Provided Responses	Lack of applicants	7,965 29%
	Unfavorable working conditions	6,452 23%
	Lack of qualified candidates	4,294 16%
	Lack of soft skills	2,351 8%
	Lack of work experience	1,994 7%
	Low wages	1,800 7%
	Other	801 3%
	Lack of certification	701 3%
	Lack of technical skills	472 2%
	Location	456 2%
	Right fit	262 1%
	Lack of training	134 less than 1%
Reason not provided	5,341	
Total with reasons provided	27,682	
All difficult-to-fill vacancies	33,023	

Source: Oregon Employment Department

Nine out of 10 difficult-to-fill job vacancies could be attributed to six hiring challenges. They included a lack of applicants (29%), unfavorable working conditions (23%), a lack of qualified candidates (16%), a lack of soft skills (8%), lack of work experience (7%), and low wages (7%).

Each of the most common challenges filling job vacancies had one or more distinct characteristics from the rest. Some seem straightforward: job vacancies with low wages as the employer-identified issue offered a far lower average starting wage than other difficult-to-fill vacancies. In addition, job vacancies with unfavorable working conditions – which includes those difficult to fill because they are part-time shifts – were less likely to be job openings for full-time positions. Essentially all job openings (97%) where a lack of work experience posed difficulty also required previous work experience.

Characteristics of Difficult-to-Fill Vacancies in Oregon by Primary Reason, 2018

Primary Reason	Vacancies	Average Wage	Full Time	Permanent	Require Education Beyond HS	Require Previous Experience
All difficult-to-fill vacancies	33,023	\$18.76	80%	91%	34%	67%
Lack of applicants	7,965	\$20.92	88%	96%	39%	66%
Unfavorable working conditions	6,452	\$15.34	65%	79%	18%	53%
Lack of qualified candidates	4,294	\$22.33	88%	97%	62%	91%
Lack of soft skills	2,351	\$14.07	64%	87%	19%	54%
Lack of work experience	1,994	\$22.47	96%	96%	31%	97%
Low wages	1,800	\$13.84	66%	94%	10%	37%
No reason provided	5,341	\$19.80	82%	91%	30%	66%
All other reasons	2,826	\$18.86	82%	90%	48%	76%
Vacancies filled without difficulty	24,937	\$15.48	78%	88%	27%	38%
All job vacancies	57,960	\$17.63	79%	89%	32%	54%

Source: Oregon Employment Department

More interesting was that difficult-to-fill job vacancies where employers cited a lack of soft skills – which includes issues related to reliability, transportation, and the ability to pass a drug test, among other things – looked remarkably similar in the starting average wage and relatively low share of full-time job openings to the vacancies where employers said low wages were the primary challenge. At the same time, lack of soft skills vacancies also required previous experience (54%) more often than the low-wage vacancies (37%).

The vacancies with a lack of applicants stood out for their relatively high pay. Job vacancies with a lack of applicants paid an average starting wage of \$20.92, more than \$5 per hour above the average starting rate (\$15.48) for job vacancies filled without difficulty. That’s interesting particularly because job vacancies with a lack of applicants didn’t have a larger share requiring education beyond high school (39%) than all hard-to-fill job openings (34%). The only higher-paying category, a lack of qualified candidates, required education beyond high school for 62 percent of vacancies.

Job vacancies with a lack of qualified candidates were almost twice as likely to require education beyond high school as all difficult-to-fill vacancies. In addition, vacancies with a lack of qualified candidates required previous work experience 91 percent of the time. For many of these vacancies – which were among the highest-paying on average – employers sought some mix of higher education and knowledge related to previous experience on the job.

Tangled Trio: Education, Experience, and Wages

In 2018 and prior years, employers' job vacancy requirements have shown a consistent relationship between education, previous work experience, and wages. These three components of job vacancies – difficult-to-fill or not – tend to move together, and in the same direction. As a job opening's education and previous experience requirements increase, so does the difficulty filling that vacancy.

More Experience, More Difficulty Hiring

In 2018, two out of three (67%) difficult-to-fill job vacancies required previous experience. At the same time, lack of work experience was the primary obstacle businesses reported for filling just 7 percent of these challenging vacancies.

Oregon Job Vacancies by Required Work Experience, 2018

Previous Work Experience	Vacancies			
	All	Filled Without Difficulty	Difficult to Fill	% Difficult
All experience levels	57,960	24,937	33,023	57%
None	17,921	7,515	10,406	58%
Less than 1 year	8,738	2,768	5,970	68%
1 to 5 years	19,355	5,869	13,486	70%
More than 5 years	3,408	718	2,690	79%
Unknown	8,538	8,067	471	6%

Source: Oregon Employment Department

Employers reported difficulty filling 58 percent of job vacancies with no prior experience requirements. That share rose to 68 percent of job vacancies with less than one year of required experience, and reached 79 percent for all job vacancies with at least five years of previous experience.

More Education, More Experience Required

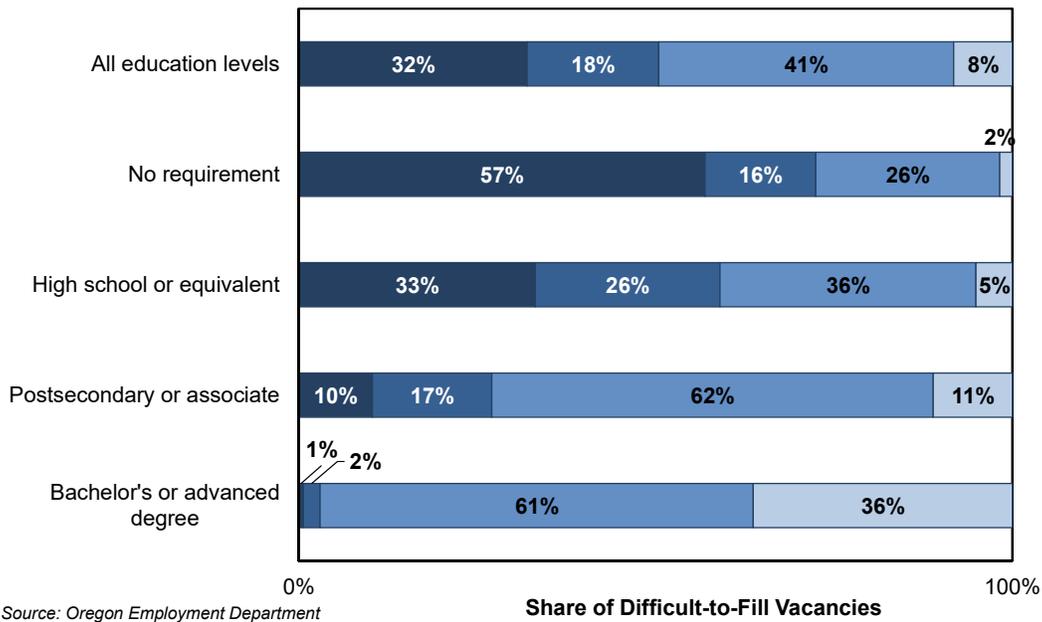
Employers' difficulty with unfilled vacancies increased with higher education requirements, which were largely paired with previous work experience requirements. Less than half (43%) of difficult-to-fill vacancies with no education requirement had a previous work experience requirement. By comparison, two-thirds (67%) of difficult-to-fill job openings requiring a high school diploma also required previous work experience. That share rose to 90 percent for all difficult-to-fill vacancies with postsecondary, associate, or other credential beyond high school. Essentially all (99%) challenging job vacancies with a bachelor's or advanced degree also required experience.

Difficult-to-fill vacancies with higher education requirements were also more likely to require more years of previous experience. Six out of 10 difficult-to-fill job vacancies with higher education requirements also required between one and five years of work experience. Far smaller shares required between one and five years of experience when the vacancy required a high school diploma (36%) or had no education requirement (26%). More than one-third (36%) of difficult-to-fill job vacancies with bachelor's or advanced degrees requested more than five years of prior experience.

Many unfilled positions need experienced candidates to effectively fill vacant roles at Oregon's businesses. Even so, in an economy at full employment, experience requirements narrow an already relatively small pool of job candidates.

Required Experience Increases Along with Education Requirements for Difficult-to-Fill Vacancies, 2018

■ No requirement ■ Less than 1 year ■ 1 year to 5 years ■ More than 5 years





Education and Experience Pays

On average, employers offered progressively higher starting wages as their education requirements for difficult-to-fill vacancies rose. Those with no education requirements averaged \$14.25 per hour, and job vacancies with high school completion requirements averaged \$15.82 per hour. More notable pay increases started with higher education requirements. Starting wages averaged almost \$9 per hour more for difficult-to-fill job vacancies with some certification or credential beyond high school, or an associate degree. Challenging vacancies with four-year or advanced degree requirements started at an average wage (\$33.14) more than twice the rate of difficult-to-fill vacancies with high school requirements.

Characteristics of Difficult-to-Fill Vacancies by Education Level Requirement, 2018

	Vacancies	Average Wage	Full Time	Permanent	Require Previous Experience
All education levels	33,023	\$18.76	80%	91%	67%
No requirement	9,926	\$14.25	77%	80%	43%
High school or equivalent	11,676	\$15.82	78%	97%	67%
Postsecondary or other certification	8,359	\$24.53	80%	94%	86%
Bachelor's or advanced degree	2,770	\$33.14	92%	96%	99%
Unknown	292	\$19.03	79%	86%	52%

Source: Oregon Employment Department

Difficulty Filling Vacancies by Industry

Private health care and social assistance reported the largest number of difficult-to-fill job vacancies (5,500) in 2018. Construction had the second-largest number of challenging job vacancies (4,800), which also represented the highest share (85%) of difficult-to-fill vacancies by sector. Transportation, warehousing, and utilities employers reported the second-highest share of job vacancies as difficult to fill (75%).

Major Indicators for Difficult-to-Fill Vacancies in Oregon by Industry, 2018

Industry	Vacancies	Average Wage	Require Ed Beyond HS	Require Experience	% Difficult of All Vacancies
All industries	33,023	\$18.76	34%	67%	57%
Health care and social assistance	5,536	\$18.09	44%	61%	54%
Construction	4,829	\$24.20	40%	83%	85%
Manufacturing	4,187	\$21.07	30%	83%	64%
Leisure and hospitality	3,816	\$12.87	8%	41%	48%
Administrative, management, and waste services	3,345	\$17.07	30%	60%	62%
Retail trade	2,462	\$14.06	13%	46%	43%
Professional and technical services	1,968	\$25.75	79%	91%	69%
Natural resources and mining	1,870	\$15.13	6%	42%	71%
Other services	1,301	\$17.74	46%	77%	42%
Wholesale trade	1,239	\$20.75	33%	85%	48%
Transportation, warehousing, and utilities	1,225	\$21.02	48%	76%	75%
Financial activities	590	\$17.47	64%	84%	31%
Private education services	380	\$14.63	42%	81%	50%
Information	250	\$19.46	53%	84%	23%

Excludes unclassified vacancies

Source: Oregon Employment Department

Businesses' most pressing challenges with unfilled jobs varied by industry. Private health care and social assistance has been a large and consistently growing industry, regardless of economic conditions, for decades. Health care employers reported 30 percent of their difficult to fill vacancies as having unfavorable working conditions. They mentioned that night on-call, swing shifts, and variable schedules contributed to their hiring challenges. Health care businesses indicated low wages as the primary reason for difficulty filling 18 percent of their challenging job openings.

Construction was the fastest-growing sector in Oregon from early 2016 through early 2018, at times topping 10 percent growth over the year. So it makes sense that construction employers cited a lack of applicants as their largest challenge, even with one of the highest average starting wages (\$24.20). They had too few applicants for 41 percent of their job openings in 2018, compared with 29 percent for all industries. Descriptions of "scarcity" and "shortage" appeared repeatedly in their detailed comments about hiring challenges.

The leisure and hospitality sector also reported a relatively high share (43%) of difficult-to-fill job vacancies with a lack of applicants. Leisure and hospitality vacancies paid far lower average starting wages (\$12.87), but also had relatively low requirements for education beyond high school (8%) or previous work experience (41%). These employers' comments related to their lack of applicants mentioned a "low number of job seekers" and competition among employers, as well as a "good economy."

For nearly half (47%) of all difficult-to-fill job vacancies in natural resources and mining, employers reported unfavorable working conditions as their primary challenge with vacancies. They noted "hard work outside in the rain and cold" and "physically demanding ag[riculture] work."

Top Reason for Difficult-to-Fill Vacancies in Oregon by Industry, 2018

Industry	Vacancies	Top Reason	Share of Industry Total
All industries	33,023	Lack of applicants	29%
Health care and social assistance	5,536	Unfavorable working conditions	30%
Construction	4,829	Lack of applicants	41%
Manufacturing	4,187	Lack of applicants	29%
Leisure and hospitality	3,816	Lack of applicants	43%
Administrative, management, and waste services	3,345	Lack of applicants	37%
Retail trade	2,462	Unfavorable working conditions	33%
Professional and technical services	1,968	Lack of qualified candidates	37%
Natural resources and mining	1,870	Unfavorable working conditions	47%
Other services	1,301	Lack of applicants Lack of qualified candidates	27% each
Wholesale trade	1,239	Lack of qualified candidates	44%
Transportation, warehousing, and utilities	1,225	Unfavorable working conditions	39%
Financial activities	590	Lack of qualified candidates	48%
Private education services	380	Unfavorable working conditions	28%
Information	250	Lack of qualified candidates	61%

Excludes unclassified vacancies

Source: Oregon Employment Department

The transportation, warehousing, and utilities and retail trade sectors also had relatively high shares of difficult-to-fill job openings with unfavorable working conditions (39% and 33%, respectively). Transportation-related vacancies in this category mentioned part-time, night, weekend, or seasonal shifts for heavy truck drivers and bus drivers. Retailers also voiced challenges related to shifts, such as "most people want [to work] more than two days per week" and "part-time positions are hard to fill."

Across all industries, 16 percent of difficult-to-fill job vacancies lacked qualified candidates. Sectors with the largest shares of unfilled job openings due to a lack of qualified candidates included information (61%), financial activities (48%), wholesale trade (44%), and professional and technical services (37%). Three of these four sectors also reported the largest shares of hard-to-fill vacancies requiring education beyond high school. In addition, all four sectors required previous work experience for at least four out of five difficult-to-fill vacancies.



Administrative, management, and waste services employers indicated challenges with 20 percent of all hard-to-fill vacancies due to applicants' lack of soft skills. That was more than twice the statewide share (8%). Administrative and waste services employers include temporary help agencies working to place employees in jobs at other businesses. They also include janitorial and landscaping services companies and garbage collection, where workers serve multiple businesses or residences. The lack of a driver's license or a clean driving record was most prominent among the lack of soft skill responses from these types of employers.

In both manufacturing and wholesale trade, employers cited a lack of work experience as the primary hiring challenge for 16 percent of their difficult-to-fill vacancies. That was twice the share for all industries (8%) in 2018. Businesses in both sectors broadly cited the need for experience or that it was hard to find experienced workers. The few employers that did mention specific experience were generally looking for workers to operate specific types of machines related to their specialty.

In other industries, some employers noted more specific needs for work experience in their type of setting. Examples included sales experience for retail positions, call center experience for customer service representatives, specific nursing experience with geriatric patients in residential care, and mechanical and aerospace engineering experience in the professional and technical services sector.

Occupations with the Most Difficult-to-Fill Vacancies

Employers experienced difficulty filling job vacancies across the economy in 2018. They reported difficult-to-fill job vacancies in 320 different occupations. Occupations with the largest number of hard-to-fill vacancies included personal care aides (2,000), heavy and tractor-trailer truck drivers (1,700), food preparation workers (800), roofers (700), restaurant cooks (700), and landscaping and groundskeeping workers (600).

Top Occupations by Number of Difficult-to-Fill Vacancies in Oregon, 2018



Source: Oregon Employment Department

Six different occupations topped the list by share of vacancies that were difficult to fill. Employers reported difficulty filling essentially all (99%) job openings for forest and conservation workers (500), plumbers and pipefitters (400), construction supervisors (200), printing press operators (200), and intercity and transit bus drivers (200) at any given time in 2018.

As with industries, the most prominent hiring challenges varied for job openings in different occupations. A lack of applicants burdened employers hiring for many of the top occupations by total number of difficult-to-fill vacancies. Almost nine out of 10 (86%) of all job openings for roofers lacked enough applicants. Construction businesses hiring for roofers noted that they were hard to find because they were in high demand. More than half (56%) of all difficult-to-fill restaurant cook positions also lacked applicants. Businesses reported competition for restaurant cooks, as well as “too many openings in community for same job positions” and “zero applicants” for some of these vacancies.



Unfavorable working conditions also created challenges for employers with job openings in several top occupations by number of difficult-to-fill vacancies. Most notably, businesses reported unfavorable conditions for eight out of 10 (78%) of the difficult-to-fill food preparation worker positions. Employers mentioned “limited hours” for some of these vacancies, and one business detailed “several positions open with fewer applicants who want to work full-time and varying shifts.” More than half (56%) of all difficult-to-fill retail salesperson vacancies had unfavorable working conditions as well. These included “rotating schedule” and weekend requirements, limited hours, and commission-only wages.

Top Reason for Difficult-to-Fill Vacancies in Oregon by Occupation, 2018

Occupation	Vacancies	Top Reason	Share of Occupation Total
All Occupations	33,023	Lack of applicants	29%
Personal Care Aides	2,038	Unfavorable working conditions	38%
Heavy and Tractor-Trailer Truck Drivers	1,664	Lack of applicants Lack of qualified candidates	28% each
Food Preparation Workers	806	Unfavorable working conditions	78%
Cooks, Restaurant	724	Lack of applicants	56%
Roofers	716	Lack of applicants	86%
Landscaping and Groundskeeping Workers	619	Unfavorable working conditions	43%
Retail Salespersons	610	Unfavorable working conditions	56%
Nursing Assistants	598	Unfavorable working conditions	47%
Maids and Housekeeping Cleaners	592	Unfavorable working conditions	45%
Construction Laborers	592	Unfavorable working conditions	42%
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	591	Lack of applicants	49%
Automotive Service Technicians and Mechanics	576	Lack of applicants	42%
Combined Food Preparation and Serving Workers, Including Fast Food	562	Lack of applicants	61%
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	552	Unfavorable working conditions	32%
Electricians	540	Lack of applicants	64%
Customer Service Representatives	502	Lack of applicants	40%

Source: Oregon Employment Department

Vacancies for heavy truck drivers (28%) and automotive service technicians and mechanics (27%) were slightly more likely to report a lack of qualified candidates than all difficult-to-fill vacancies (16%). Employers noted a lack of qualified Commercial Driver's License (CDL) drivers, and a lack of qualified drivers with specific experience in their industry, including things like concrete mixing or working on logging roads. Many employers cited automotive service excellence (ASE) qualifications along with specific automotive knowledge as challenges for automotive service technician and mechanic positions.

Employers hiring landscaping and groundskeeping workers indicated a lack of soft skills among their candidates hampered efforts to fill 31 percent of their difficult-to-fill vacancies. That was well above the 8 percent for all difficult-to-fill vacancies in 2018. Employers identified a lack of candidates with an Oregon driver's license, a lack of clean driving record, issues passing a drug screen, or some combination of these factors.

Passing a Drug Test

Oregon employers have reported difficulty filling job vacancies due to job candidates' inability to pass drug tests since the job vacancy survey began in 2013. Issues related to drug screening fall into the "soft skills" category. From 2013 to 2016, responses related to applicants' inability to pass drug tests accounted for 1 percent to 2 percent of all difficult-to-fill vacancies. In 2017 that share rose to 4 percent, then dropped back down to 2 percent in 2018.

The job vacancy survey does not specifically ask employers if drug testing affects their ability to hire. If directly asked about drug screening and hiring for job vacancies, employers may respond differently than when asked more generally about the greatest challenge filling any given job opening.

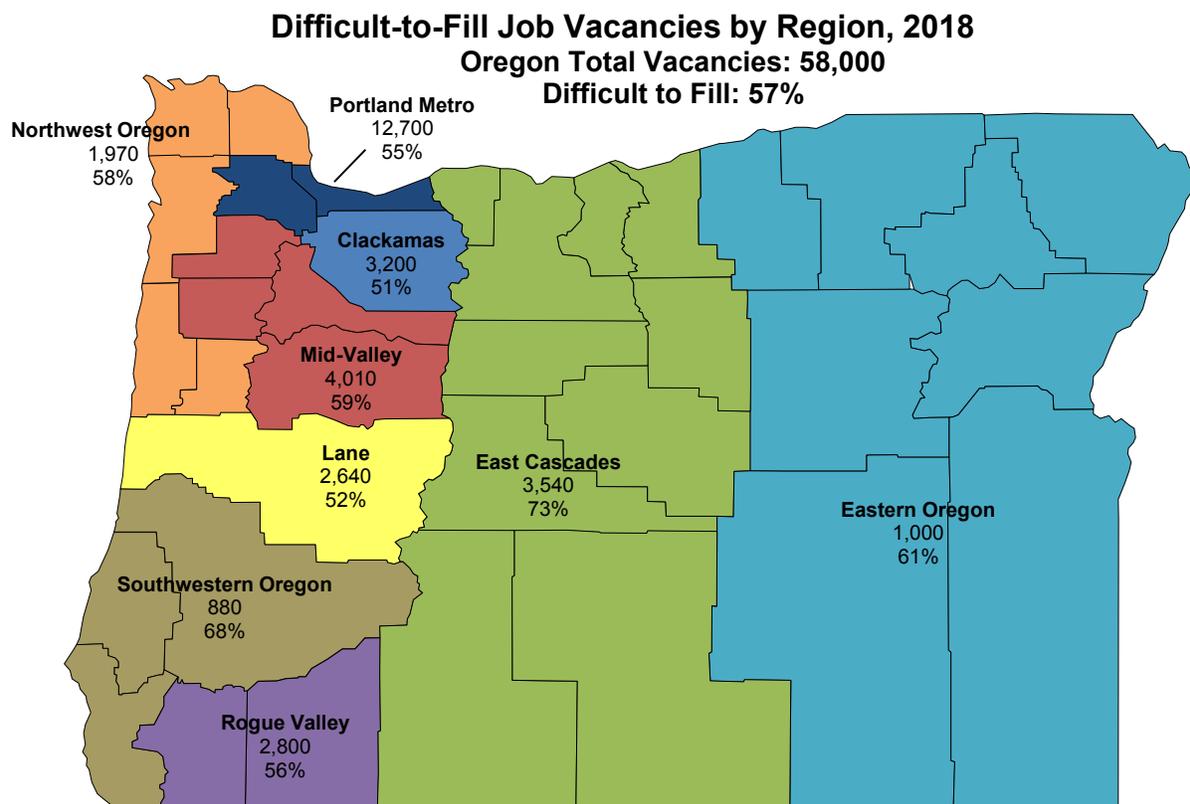
Difficulty Filling Majority of Vacancies Across the State

From Burns to Bend, Beaverton, and Brookings, more employers than not seemed to share in the challenge of meeting their current workforce needs. Businesses faced difficulty filling the majority of their vacancies in all nine broad regions of the state.

Employers in the Portland Metro area (Multnomah and Washington counties) had the largest number of difficult-to-fill vacancies (12,700) in 2018. Yet the areas with the largest shares of hard-to-fill job openings included the East Cascades (73%) and Southwestern Oregon (68%).

Northwest Oregon employers reported a lack of applicants for 39 percent of their difficult-to-fill vacancies. That was the largest share reported for any hiring challenge in any region of the state in 2018. That was fitting, given that in spring 2018 the region had more job vacancies than unemployed persons. Portland Metro employers also had a relatively large share (35%) of all difficult-to-fill vacancies with a lack of applicants. Worker shortages – including for truck drivers, plumbers, roofers, and other tradespeople – were prevalent in their comments, in addition to mentions that “talent is scarce” with “low unemployment” and “full employment.”

Rogue Valley employers had a relatively large share of difficult-to-fill vacancies with unfavorable working conditions, including jobs with on-call, part-time, overnight, rotating, or weekend shifts. Employer reports of difficulty due to unfavorable working conditions accounted for 35 percent of all difficult-to-fill vacancies in the area.



Employers in Southwestern Oregon and Eastern Oregon reported the largest share of job vacancies where applicants lacked soft skills. A lack of soft skills accounted for 19 percent of all difficult-to-fill job vacancies in Southwestern Oregon, and 18 percent in Eastern Oregon, compared with 8 percent statewide. Southwestern Oregon employers reported challenges finding workers who could pass background and drug tests, and mentioned a lack of work ethic for job openings across a variety of occupations. Eastern Oregon employers mostly reported lack of reliability or work ethic.

Lane County and Rogue Valley businesses also reported nearly twice the share of job vacancies with a lack of soft skills (15% in each area). In Lane County, most of the 370 job vacancies in this category included challenges related to work ethic, reliability, and professionalism. For the 390 Rogue Valley job openings where applicants lacked soft skills, employers mostly mentioned drug testing and clean driving record issues.

Top Reason for Difficult-to-Fill Vacancies in Oregon by Region, 2018

Region	Vacancies	Top Reason	Share of Region Total
Oregon	33,023	Lack of applicants	29%
Portland Metro	12,679	Lack of applicants	35%
Mid-Valley	4,010	Lack of applicants	32%
East Cascades	3,540	Low wages	32%
Clackamas	3,201	Lack of qualified candidates	26%
Rogue Valley	2,792	Unfavorable working conditions	35%
Lane	2,643	Unfavorable working conditions	23%
Northwest Oregon	1,966	Lack of applicants	39%
Eastern Oregon	1,001	Unfavorable working conditions	23%
Southwestern Oregon	876	Lack of applicants	25%
Multi-area or unknown	315	Lack of qualified candidates	38%

Source: Oregon Employment Department

East Cascades employers were more likely to report low wages for their job vacancies. Low wages accounted for nearly one-third (32%) of all difficult-to-fill vacancies in the region. Area businesses detailed difficulty keeping minimum wage positions filled, hard work relative to wages offered, and high turnover at offered wage rates in construction.

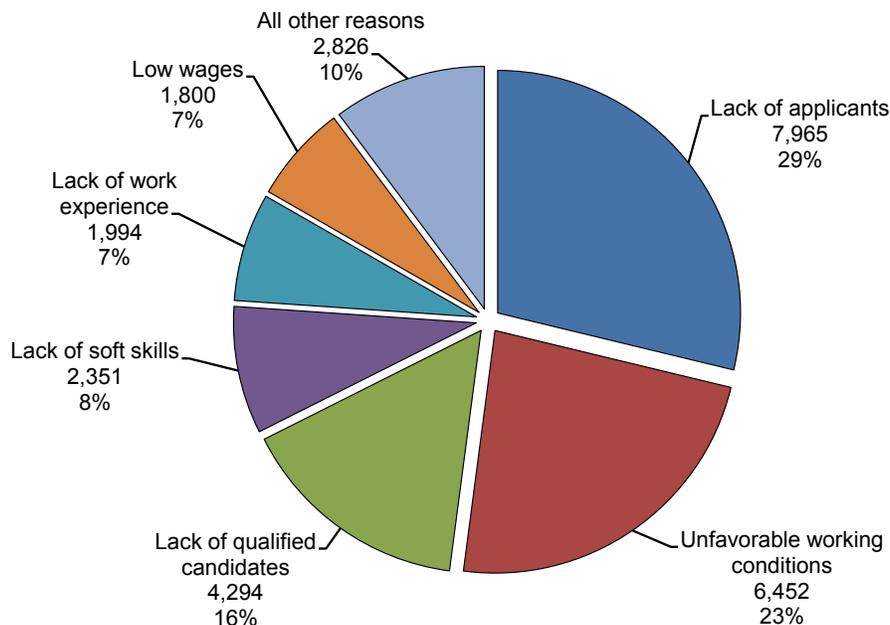
Putting the Job Vacancy Survey to Work

Beyond the numbers, findings from the Oregon Job Vacancy Survey offer insights for businesses, workforce developers, and job seekers. These include considerations for employers to make their recruitments attractive to today’s job seekers, along with ways job seekers can understand and prepare to meet employers’ preferences and work expectations. Workforce developers can find gaps and help bridge employers’ needs and job seekers’ abilities to keep Oregon’s economy growing.

Economic Conditions and Expectations

Businesses indicated a lack of applicants as the most common reason for difficulty filling their vacancies. Almost 8,000 vacancies in Oregon had too few or no applicants in 2018. In a relatively long economic expansion with unemployment rates at or near record lows for two years, employers cited competition in hiring and worker shortages. In addition, more than nine out of 10 people ages 16 or older who are not in the labor force do not want a job; the largest reason is retirement. That relative lack of potential job seekers on the sidelines has contributed to employers’ collective challenges finding applicants.

Employer-Provided Reasons for Difficulty Filling Vacancies in Oregon, 2018



Source: Oregon Employment Department

While it may seem hard to overcome these broader economic conditions, employers may be able to ease some of their hiring burdens through one or more approaches. They can compete by raising wages, which many businesses did in 2018. For all but three of the occupations with at least 500 difficult-to-fill vacancies, employers offered a higher average starting wage than for job openings in the same occupation that were not reported as hard to fill. Employers were also much more likely to require previous work experience for these job openings. If businesses can reduce work experience requirements safely, they may also open up their recruitments to a wider pool of candidates.

Top Occupations by Difficulty Filling Vacancies and Required Work Experience, Oregon, 2018

Occupation	Difficult to Fill			Filled Without Difficulty		
	Vacancies	% Require Experience	Average Wage	Vacancies	% Require Experience	Average Wage
Personal Care Aides	2,038	33%	\$12.00	1,005	5%	\$11.38
Heavy and Tractor-Trailer Truck Drivers	1,664	93%	\$22.13	272	69%	\$21.16
Food Preparation Workers	806	8%	\$13.69	83	55%	\$12.32
Cooks, Restaurant	724	68%	\$12.97	350	21%	\$13.66
Roofers	716	92%	\$22.12	9	100%	\$13.00
Landscaping and Groundskeeping Workers	619	68%	\$14.36	137	23%	\$13.82
Retail Salespersons	610	56%	\$13.15	1,292	26%	\$12.28
Nursing Assistants	598	38%	\$14.23	403	69%	\$15.90
Maids and Housekeeping Cleaners	592	14%	\$13.52	196	8%	\$12.50
Construction Laborers	592	53%	\$15.52	215	33%	\$15.44
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	591	3%	\$12.05	207	9%	\$14.21
Automotive Service Technicians and Mechanics	576	90%	\$19.51	193	51%	\$15.97
Combined Food Preparation and Serving Workers, Including Fast Food	562	14%	\$11.17	290	1%	\$10.87
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	552	63%	\$12.99	723	11%	\$12.44
Electricians	540	97%	\$34.89	23	4%	\$13.48
Customer Service Representatives	502	79%	\$16.01	356	10%	\$12.79

Source: Oregon Employment Department

Employers can also compete for talent using benefits or employee perks. The Employment Department’s June 2018 Oregon Benefits survey found that more than half of all private employers offered health (59%) benefits, and roughly half (51%) offered retirement benefits. In the survey, nearly 500 employers gave open-ended responses about the most important way retirement benefits impacted their business over the past year. Nearly one-fourth (22%) of them mentioned the hiring and retention advantages to their retirement offerings. One employer summarized their retirement offerings as “another tool to attract potential workers in a tight labor market.” Some benefit offerings came at little direct cost to the employers, such as providing employees access to purchase their own low-cost supplemental insurance or short-term disability coverage.

Some combination of additional wages or other benefits may also draw applicants to vacancies with less favorable working conditions. Businesses can also increase their recruitment intensity and scope, particularly in relatively isolated locations (which accounted for 460 difficult-to-fill vacancies) or niche markets. Outreach or advertising across regions of the state or other states can enhance the visibility of unfilled jobs.



Training to Fill Workforce Gaps

In 2018, employers reported difficulty filling 6,000 job vacancies with less than one year of required experience. Some employers with vacancies in this category – which included 280 personal care aides, 250 landscapers and groundskeepers, 210 customer service representatives, 160 restaurant cooks, and 130 janitors and cleaners (and many others) – may benefit from partnering with local training or education programs to equip available workers with the necessary skills to meet requirements of these jobs in a short timeframe.

Jobs with unfavorable working conditions also tend to require relatively less training or experience. Workforce development can continue to help connect job seekers who are amenable to tough physical jobs or positions with alternative work schedules with businesses struggling to fill those types of jobs. That connection might also be paired with some job-specific training or experience related to the working conditions.

Gaining and Highlighting Experience

Employers clearly reported their preference for experienced workers again in 2018. Demonstrating prior experience should give job candidates an advantage. It's important for job seekers to highlight any relevant credentials or experience, whether in a formal workplace, through a sponsored training program, or unpaid volunteering.

Job seekers in the early stages of their careers may look at lower-wage opportunities, particularly in their field of interest, as a way to get their foot in the door and gain on-the-job experience. Employers regularly cite high turnover in lower-wage positions too, so sticking with a job may also be advantageous as a favorable impression on an employer.

In addition to experience and demonstrated soft skills, any flexibility available in a job seeker's schedule may also make them stand out to employers seeking to fill vacancies. Many of the 6,500 difficult-to-fill job vacancies with unfavorable working conditions cited non-traditional shifts as a hiring challenge, and a job seeker's ability and willingness to work those hours could give them an advantage getting the job.

Ongoing Difficulty Filling Job Vacancies

As Oregon's employers continued to hire in 2018, amid a mature economic expansion with unemployment near historic lows, they reported difficulty filling the majority (57%) of their job vacancies. Shortages of available labor relative to hiring demand led a lack of applicants to be the most prominent challenge for employers with unfilled jobs. Businesses faced many other difficulties as well, which varied by industry, occupation, and region of the state.

As long as these broader trends remain, businesses can expect ongoing difficulty filling job vacancies. Identifying and reporting their collective hiring expectations and struggles offers some valuable insights to navigate current economic conditions. These include opportunities for employers to compete for workers, for job seekers to see businesses' needs and preferences, and for workforce development to bridge gaps between them.



Appendix A: Examples of Employer Survey Responses

Categorized Reasons for Difficulty Filling Job Vacancies with Illustrative Examples from Business Survey Responses

Lack of applicants: too few or no applicants for a vacancy

- Competition for limited supply
- Everyone is looking for help
- Narrow candidate pool
- No applicants
- Shortage of workers

Lack of qualified candidates: lacking necessary education or specific job requirements

- No well-qualified applicants
- Position with specific industry knowledge needed
- Specialized qualifications required
- Specific background and skill set required
- Unique experience

Unfavorable working conditions: inconsistent or part-time shifts, physical job demands

- Hard physical work in a variety of elements
- Night on-call shift
- Seasonal, part-time position
- Travel out of town 90% of the time
- Unable to guarantee hours

Low wages: low pay for job requirements or market conditions

- Budgeted pay scale may be too low
- Can't afford to pay a higher salary, so employee pool is small
- Job requirements are often hard to find for the hourly wage
- Offered pay rate is too low
- Want higher hourly wage than we can pay for the level of expertise

Lack of work experience: previous experience required

- Can't find anyone with experience
- Few trained applicants
- Finding someone with experience to limit training
- Lack of experienced applicants
- Those that have experience are already employed

Lack of soft skills: communication, interpersonal, or social norms for job

- Applicants lack work ethic
- Attention to detail
- Lack of commitment
- Many applicants lack transportation
- Unable to pass drug test

Other: miscellaneous; not able to be categorized elsewhere

- Cost of living
- No affordable housing in our community
- Obscure industry
- New recruitment
- Union only

Lack of certification: applicants lack necessary license or certification

- Commercial Driver's License needed
- Insurance certification required
- Not enough licensed people
- Plumber needs to be licensed
- Too few certified workers

Location: the geographic area of the job

- Can't compete with Eugene, Portland; not enough activities for
- Hard to recruit to rural city
- Location of office in small rural town
- Our clinic is in a remote area of Oregon
- Rural location; few applicants

Lack of technical skills: measureable or tangible abilities or knowledge used on the job

- Difficult technical skill set
- Lack of technical skills
- Technical skill set is hard to find
- Unskilled applicants

Right fit: specific personality or personal qualities

- Blend of personality and skill set
- Culture, education, and experience
- Experience and team fit
- Not a "fit" for company
- Want the right person

Lack of training: few or no educational or vocational programs related to the job

- Lack of vocationally trained candidates
- No school in area
- Training in this area is sparse
- Very steep learning curve and no local training programs

Source: Oregon Employment Department

Appendix B: Oregon Job Vacancies by Industry

Difficult-to-Fill Vacancies in Oregon by Industry, 2018

Industry	Vacancies	Average Wage	Full time	Permanent	Require Ed Beyond HS	Require Experience
All Industries	33,023	\$18.76	80%	91%	34%	67%
Health care and social assistance	5,536	\$18.09	59%	98%	44%	61%
Construction	4,829	\$24.20	99%	97%	40%	83%
Manufacturing	4,187	\$21.07	98%	96%	30%	83%
Leisure and hospitality	3,816	\$12.87	53%	84%	8%	41%
Administrative, management, and waste services	3,345	\$17.07	89%	90%	30%	60%
Retail trade	2,462	\$14.06	72%	96%	13%	46%
Professional and technical services	1,968	\$25.75	86%	89%	79%	91%
Natural resources and mining	1,870	\$15.13	92%	52%	6%	42%
Other services	1,301	\$17.74	83%	91%	46%	77%
Wholesale trade	1,239	\$20.75	96%	98%	33%	85%
Transportation, warehousing, and utilities	1,225	\$21.02	80%	87%	48%	76%
Financial activities	590	\$17.47	61%	89%	64%	84%
Private education services	380	\$14.63	34%	67%	42%	81%
Information	250	\$19.46	98%	100%	53%	84%

Excludes unclassified vacancies

Vacancies Filled Without Difficulty in Oregon by Industry, 2018

Industry	Vacancies	Average Wage	Full time	Permanent	Require Ed Beyond HS	Require Previous Experience
All Industries	24,937	\$15.48	78%	88%	27%	38%
Health care and social assistance	4,705	\$17.39	79%	98%	54%	36%
Leisure and hospitality	4,080	\$12.37	62%	73%	7%	25%
Retail trade	3,216	\$13.00	73%	90%	5%	31%
Manufacturing	2,382	\$16.27	93%	93%	27%	44%
Administrative, management, and waste services	2,008	\$14.18	62%	80%	16%	38%
Other services	1,801	\$18.24	89%	97%	47%	36%
Wholesale trade	1,333	\$21.08	83%	99%	11%	44%
Financial activities	1,327	\$17.62	91%	98%	28%	44%
Professional and technical services	900	\$15.73	80%	81%	48%	54%
Construction	833	\$19.34	88%	84%	18%	58%
Information	819	\$16.68	92%	94%	50%	36%
Natural resources and mining	751	\$16.81	97%	54%	14%	58%
Transportation, warehousing, and utilities	401	\$14.43	61%	88%	19%	26%
Private education services	381	\$14.82	73%	59%	96%	52%

Source: Oregon Employment Department

Appendix C: Occupations with 200 or More Vacancies

Difficult-to-Fill Vacancies by Occupation in Oregon, 2018

Occupation Title	Difficult-to-Fill Vacancies	Average Wage	Require Ed Beyond HS	Require Experience	Difficult % of All Vacancies
All Occupations with DTF Vacancies	33,023	\$18.76	34%	67%	57%
Personal Care Aides	2,038	\$12.00	2%	33%	67%
Heavy and Tractor-Trailer Truck Drivers	1,664	\$22.13	79%	93%	86%
Food Preparation Workers	806	\$13.69	less than 1%	8%	91%
Cooks, Restaurant	724	\$12.97	8%	68%	67%
Roofers	716	\$22.12	26%	92%	99%
Landscaping and Groundskeeping Workers	619	\$14.36	12%	68%	82%
Retail Salespersons	610	\$13.15	4%	56%	32%
Nursing Assistants	598	\$14.23	82%	38%	60%
Maids and Housekeeping Cleaners	592	\$13.52	less than 1%	14%	75%
Construction Laborers	592	\$15.52	less than 1%	53%	73%
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	591	\$12.05	less than 1%	3%	74%
Automotive Service Technicians and Mechanics	576	\$19.51	70%	90%	75%
Combined Food Preparation and Serving Workers, Including Fast Food	562	\$11.17	less than 1%	14%	66%
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	552	\$12.99	less than 1%	63%	43%
Electricians	540	\$34.89	93%	97%	96%
Customer Service Representatives	502	\$16.01	23%	79%	59%
Forest and Conservation Workers	494	\$18.58	less than 1%	64%	100%
Production Workers, All Other	487	\$13.55	5%	7%	52%
Carpenters	485	\$18.11	11%	71%	57%
Plumbers, Pipefitters, and Steamfitters	416	\$31.72	90%	100%	100%
Laborers and Freight, Stock, and Material Movers, Hand	404	\$13.77	1%	7%	54%
Waiters and Waitresses	373	\$12.53	less than 1%	37%	56%
Welders, Cutters, Solderers, and Brazers	368	\$19.61	27%	100%	81%
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	359	\$26.07	55%	88%	48%
Cashiers	347	\$10.91	less than 1%	12%	45%
Preschool Teachers, Except Special Education	333	\$13.91	59%	100%	46%
Light Truck or Delivery Services Drivers	321	\$16.29	26%	70%	70%
Interior Designers	301	\$27.27	100%	100%	99%
Registered Nurses	289	\$33.90	99%	71%	43%
Machinists	278	\$23.86	12%	99%	75%
Dishwashers	249	\$12.70	less than 1%	38%	53%
Maintenance and Repair Workers, General	248	\$16.41	18%	69%	63%
Stock Clerks and Order Fillers	242	\$14.37	less than 1%	67%	35%
Social and Human Service Assistants	239	\$14.24	6%	82%	37%
Painters, Construction and Maintenance	233	\$16.01	30%	64%	100%
Childcare Workers	230	\$13.04	65%	100%	88%
First-Line Supervisors of Construction Trades and Extraction Workers	220	\$31.01	5%	100%	100%
Printing Press Operators	215	\$12.40	less than 1%	100%	100%
Automotive and Watercraft Service Attendants	215	\$12.83	less than 1%	less than 1%	90%
Bus Drivers, Transit and Intercity	212	\$15.78	8%	100%	100%
Receptionists and Information Clerks	205	\$13.74	41%	99%	33%
Bus and Truck Mechanics and Diesel Engine Specialists	204	\$25.54	60%	98%	69%
Industrial Engineers	203	\$43.59	100%	100%	100%
Hairdressers, Hairstylists, and Cosmetologists	202	\$12.12	64%	74%	83%

Source: Oregon Employment Department



www.Oregon.gov/employ
RSPUB294(0519)