

KEN FIREMAN: I'm Ken Fireman, the managing editor for *SAGE Business Researcher*. And I'm speaking with journalist Kathy Murray, who has written our report on the skills gap, the gap between the skills that employers are looking for and those that prospective employees bring. Thanks for joining us, Kathy.

KATHY MURRAY: Oh, thank you, glad to be here.

KEN FIREMAN: I believe you started out your reporting feeling rather skeptical that there really is a skills gap. It seems that you have revised your thinking. Can you explain why?

KATHY MURRAY: Sure. When I started out reporting, there are quite a few academics that have some compelling research on how employers are essentially using the skills gap as an excuse. And if they change their recruiting practices-- raised wages, for example-- the problem wouldn't exist. So they don't believe it's a real skills gap.

And I thought that sounded good until I started looking at the numbers. When you really dig down into individual industries, and you start looking by region, you do see that there are some places where there is, in fact, a real skills gap.

KEN FIREMAN: Are there particular industries where this is especially acute?

KATHY MURRAY: Yes, in high tech, computer science, data science, but the number of people coming out of college with the knowledge they need just cannot possibly keep up with the growth in that area. So that's an area.

Also, ironically, manufacturing because when things started going overseas, people either retired or moved on to other jobs, and now factories are facing a resurgence. They're bringing in new automation, and they need people with more technical skills to work that equipment.

KEN FIREMAN: I think you mentioned in your report that health care is another area.

KATHY MURRAY: Yes, health care as well-- the demand just outstrips the supply there, both in, you know, the higher levels and nurse assistants.

KEN FIREMAN: One of the things you highlight in your report is the fact that many companies have cut back on their training programs in recent years. Why have they done this?

KATHY MURRAY: Well, I think they start looking at it like anything else-- a budget item, like let's get rid of this because it's too expensive-- very short-term thinking. And then also they would make the argument that schools should be doing more of this, and it's the universities that weren't educating students right for them.

So these became their arguments. And they ultimately could hire people from other companies who were already trained, so it wasn't a problem. But as the market has gotten tighter, they don't have as much leeway.

KEN FIREMAN: Sure. Well, this kind of leads to another question that I wanted to ask you, which is how much of what employers call the skills gap is really a hangover from the last recession when employers were really in the driver's seat and were constantly seeing applicants who were overqualified?

KATHY MURRAY: Yeah. Well actually, a good deal of what employers call the skills gap is in fact that. I found that everybody I interviewed had a skills gap. And you'd ask a few more questions, and it would be like, oh well, essentially what you're doing is you're refusing to raise wages, or you know, you're not looking hard enough, or you don't realize it's a buyer's market now for employees. So a lot of them haven't caught up to the reality of the way things are now.

KEN FIREMAN: And yet, as you said at the top, there are specific industries and specific sectors where this gap is truly real. It's not a hangover from anything. It's bedrock reality.

There's been a lot of talk lately about reviving apprenticeship programs. President Trump has talked about this, other people as well. How would this help to close the skills gap where it really exists?

KATHY MURRAY: Well, again, I think those would be more in manufacturing and in the trades. So you're talking about perhaps workers that don't have college educations but need some very specific training and job experience in order to do their professions. I mean, I talked to-- I can't remember-- like three different companies who were desperate for plumbers, and HVAC people, and electricians, and welders.

And these people used to sort of grow up and be trained. You know, it would start in shop class, and they'd go to a company, and they'd apprentice, and then they'd stay on, and that kind of went away. So more apprenticeships could be a good thing, if it's done right.

KEN FIREMAN: OK. I've been speaking with Kathy Murray, who has written a *SAGE Business Researcher* report on the skills gap. Thank you for joining us.

KATHY MURRAY: Thanks for having me.