

Workforce Review

A monthly review of labor market information for Northern Santa Clara County

March 2015

Did you know?

Millennial Tech Workers Losing Ground in U.S.

Millennial tech workers are entering the U.S. workforce at a comparable disadvantage to other tech workers throughout the industrialized world, according to study from Educational Testing Services (ETS), a nonprofit skills assessment service.

Despite higher spending than any other developed nation on education and a world-class collegiate system, America's young workers are reportedly lagging further and further behind in core skills. "A relatively large percentage of our young adults cannot perform literacy tasks that ask them to 'identify, interpret, or evaluate one or more pieces of information and often require varying levels of inferencing,'" ETS found (PDF), "or numeracy tasks that 'require several steps and may involve the choice of problem solving strategies or relevant information.'" For example, of adults ages 16-34, some 56 percent perform below the minimum standard of proficiency level for problem-solving in technology-rich environments.

How do U.S. millennials compare to their international peers? Those in the 90th percentile (i.e., the top-scoring) actually scored lower than top-scoring millennials in 15 of the 22 studied countries; low-scoring U.S. millennials ranked last (along with Italy and England/Northern Ireland). The gap in scores between highest- and lowest-scoring U.S. millennials was wider than the gap of 14 other countries, "signaling a high degree of inequality in the distribution of scores," according to ETS.

"A decade ago, the skill level of American adults was judged 'mediocre,'" the authors of the report wrote. "Now it is below even that. Millennials, who will form the backbone of this nation's future, are not poised to lift us out of this predicament; in fact, the lack of adequate skills in this population has become a challenge for us to confront."

This data comes despite a nationwide push to implement an educational Common Core, which focuses on concepts, skills and problem-solving. One of Common Core's stated goals is to measure itself against "other top performing countries in order to prepare all students for success in our global economy and society."

But is it working? Daniel Zweier, a graduate of UC Santa Cruz who fits the Millennial demographic, suggested that, although schools are attempting to improve cognitive skills, they're missing the mark: "There are a number of reasons [for the decline], but I think the primary one is education. High-school education in the U.S. has issues in testing and teaching true comprehension and the ability to extrapolate an idea to create or find the correct answer."

Whether Common Core is too new to measure its efficacy — it launched in 2009 — or it's the next wrong step undertaken by a declining U.S. educational system, ETS data clearly suggests that young adults in the U.S. are ill prepared to take on a competitive world. And while it's never good to have a workforce with declining skills, it's particularly alarming given that the technical needs of many professions have grown more complex over the past decade.

Complete article available via link.

ETS report available at <http://bit.ly/1HsNUTT>

Source: *Dice.com* (03/26/15)

<http://news.dice.com/2015/03/26/millennial-tech-workers-losing-ground-in-us>

Labor Force Statistics (San José–Sunnyvale–Santa Clara MSA)

Unemployment Rate	February 2014	January 2015	February 2015	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	6.3%	4.8%	4.5%	- 0.3	- 1.8
California	8.5%	7.3%	6.8%	- 0.5	- 1.7
United States	7.0%	6.1%	5.8%	- 0.3	- 1.2

Labor Force	February 2014	January 2015	February 2015	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	962,000	1,042,200	1,047,300	+ 0.5%	+ 8.9%
Civilian Employed	901,100	992,200	1,000,600	+ 0.8%	+ 11.0%
Civilian Unemployed	60,900	50,100	46,700	- 6.8%	- 23.3%

Select Regional Industry Statistics (San José–Sunnyvale–Santa Clara MSA)

Change in Employment	February 2014	January 2015	February 2015	Percentage Change	
				Monthly	Annual
Total Nonfarm	983,800	1,027,700	1,037,200	+ 0.9%	+ 5.4%
Construction: Spec. Contractors	26,900	28,200	29,000	+ 2.8%	+ 7.8%
Manufacturing: Machinery	8,800	9,200	9,200	0.0%	+ 4.5%
Retail: Electronics Stores	4,400	4,500	4,400	- 2.2%	0.0%
Educ: Colleges/Universities	28,100	28,400	29,400	+ 3.5%	+ 4.6%
Government: State	6,400	6,700	6,200	- 7.5%	- 3.1%

NOTE: San José–Sunnyvale–Santa Clara MSA (Metropolitan Statistical Area) = Santa Clara and San Benito Counties

Source: California Employment Development Department, LMID

Labor Force by Metropolitan Statistical Area (U.S. High-Tech Regions)

	Labor Force			Unemployment			Unemployment Rate		
	February 2014	February 2015	Annual Change	February 2014	February 2015	Annual Change	February 2014	February 2015	Annual Change
United States	155,027,000	156,213,000	+ 0.8%	10,893,000	9,095,000	- 16.5%	7.0%	5.8%	- 1.2
California	18,624,300	18,910,200	+ 1.5%	1,580,300	1,291,500	- 18.3%	8.5%	6.8%	- 1.7
Austin, TX	1,043,080	1,050,738	+ 0.7%	47,742	36,015	- 24.6%	4.6%	3.4%	- 1.2
Boston, MA	1,520,858	1,559,788	+ 2.6%	81,162	68,309	- 15.8%	5.3%	4.4%	- 0.9
Portland, OR	1,186,766	1,211,553	+ 2.1%	85,327	69,470	- 18.6%	7.2%	5.7%	- 1.5
San Diego, CA	1,594,000	1,551,600	- 2.7%	111,500	83,000	- 25.6%	7.0%	5.3%	- 1.7
San Francisco, CA	1,040,400	977,900	- 6.0%	53,100	35,900	- 32.4%	5.1%	3.7%	- 1.4
Seattle, WA	1,552,310	1,587,890	+ 2.3%	79,920	78,970	- 1.2%	5.1%	5.0%	- 0.1
San Jose, CA	962,000	1,047,300	+ 8.9%	60,900	46,700	- 23.3%	6.3%	4.5%	- 1.8

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity: February 2015

Company	WARN *	City	Affected	Cause
Qualcomm	Yes	Santa Clara	6	RIF
Symantec	Yes	Mountain View	4	RIF
			10	

Layoff Summary	
Individuals Affected YTD †:	3,446
Events Current YTD †:	56
Events Previous YTD †:	61

* **WARN: Worker Adjustment and Retraining Notification**
(notice of mass layoff or closure)

† **YTD: Year to Date**
(Program year: July 1–June 30)

NOTE: Layoff data are reported by NOVA staff responding to layoff events and should be considered only an estimate of regional activity

Source: NOVA's internal Rapid Response database