

Labor pool challenges

[Business](#), [Human Resources](#)



Insufficient Skilled Labor in the Automobile Industry s Skilled Labor in the Automobile Industry

There are various labor challenges that different industries face. The automobile industry is faced with a shortage of skilled labor. There is an insufficient supply of people with the required skills for the available jobs. In the recent years, America has experienced a marked increase in the educational level of its workforce. Consequently, the nation has experienced significant economic growth. The depth and breadth of the labor pool have been expanded by the huge increases in the number of people with a college education. However, the recent advancements in technology has made players in the automobile sector to use new production techniques in order to remain competitive in the global market. For example, in the 21st century, 60% of new jobs require one to have at least post-secondary education. Contrarily, an estimated one third of America's workforce has attained this level of education (Lebergott, 2014). The continuous process of innovation as well as technological changes has resulted in the motor vehicle industry related jobs demand even higher skill levels.

According to United States Department of Labor (2015), the use of computers and Internet has redefined and reorganized work skills required at the workplaces. Most jobs now require education and training. As cited by Cascio (2012), structural unemployment results because of the mismatch of skills of the unemployed persons and the skills required for the available job. Evidence has demonstrated that the percentage of the workforce having graduated with college degrees is growing at a very slow rate. It has also been projected that in the next two decades, there will be virtually no growth

in the prime age workforce; 25-54 years. This would result in a substantial reduction in skill growth. With few people having the required skills and education, there is insufficient supply of skilled in the labor pool for the automobile sector. In a view shared by Farmer, people with higher education levels face very low rates of unemployment. He reported workers aged 25 years or more, the unemployment rate was 4% for those with a bachelors degree or higher, 6% for those with a degree, 9% for high school graduates; and 12% for those with less than a high school diploma (Farmer, 2011). A can manufacturing or distribution firm with insufficiently trained labor force faces high turn over, low levels of employee performance, low productivity, high accident rates, improperly administered facilities, and improper resource allocation, as well as lack of coordination.

To alleviate the challenge of inadequate skilled labor, people recruited and perceived to have inadequate skills should trained new training programs both for new and older employees. Even though higher education is crucial in preparing individuals for work, they still require new skills by the time they begin working. Training is one of the main channels of maintaining and improving the intellectual capital. This implies that to find the skilled workers to replace that portion of the aged workforce, high school and college graduates should be provided with on-and off-the-job training. This would equip them with necessary skills required to perform the job effectively (Adams, 2014). Over 40. 6% of companies across the globe offer internal company training. Training ensures that workforce is equipped with the required and up-date-skills for the job.

The other recommendation is improving the existing career development

programs. Career development programs discourage turnover by means of keeping the staff satisfied and well-positioned for future opportunities for career growth. Improving the existing developmental programs ensures that all employees are equipped with skills to enable the firm realize its strategic goals and objectives by offering opportunities for learning and engraining it in the organizational culture.

In summary, in the motor vehicle industry, one of its major challenges is the inadequate supply of skilled workers. The motor vehicle industry is a very dynamic industry and it is associated with rapid technological inventions and innovations. This means that the labor force needs to update its skills more often so as to remain competitive in the market. A person's skills and knowledge can become obsolete after some time. The automobile employers regularly train both their older and new employees for them to gain competitive advantage by having a highly trained labor force. It has been found that the inadequate supply of skilled labor in the motor vehicle can be alleviated by training the employees in order to equip them with the necessary skills required to perform the job effectively.

References

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