Fasten your seat belts, take-offs can be dangerous!

Most people assume that airplane take-offs are safer than landings. However it’s a little known fact that the fatality rates are about the same for both.

While we can’t draw a 100% parallel to economic ups and downs, it’s definitely true that upturns of the economy can claim their casualties too. These are usually the result of poor forward and contingency planning or shortages of materials or skills.

I’ve mentioned skill shortages before, however I think it’s a topic worth revisiting in the light of a recent study – Manpower’s 2012 Talent Shortage Survey.

According to this very comprehensive research project, there’s currently a global skill shortage of 34%. The actual rate varies between countries:

- Japan - 81%
- Brazil - 71%
- Australia - 50%
- US - 49%
- India - 48%
- Turkey - 41%
- Singapore - 37%
- China - 23%

Those are big numbers, but bear in mind that the global average skill shortage went from 41% in 2007 to 31% in 2008. So when we get back to firing on all cylinders the numbers could grow rapidly.

Already there are 600,000 skilled manufacturing jobs open in the USA because of a lack of skills. The top five most difficult to fill job types also include engineering, sales, technician and IT positions. So, if we don’t have enough people to design, sell, make and fix things or to help us take advantage of the latest technology, the take-off could be rather bumpy.

Manpower also asked companies what they were doing about the skill shortage. The overall consensus was that they’re at least doing more about it now than they were, so businesses around the world are taking the issue on board. However just 25% said they were using what we believe is the most logical approach – providing additional training and development for existing staff. The other techniques mentioned included:

- broadening the search for talent outside the local region
• appointing people without the required job skills (let’s just hope that doesn’t include pilots and surgeons!)
• and focusing on retaining existing staff through salary and benefits increases.

We strongly recommend providing cross skill training for your existing employees. We’ve seen this work very effectively for reducing skill shortages while simultaneously increasing staff retention. Training up your current staff is also less risky in many ways than hiring in new people.

With a large bubble of upcoming retirees rising in synch with global economies buoying up, this could be one of the scariest take-offs yet. Handling it well will require a good plan and even better execution. Don’t wait too long!