

## “The Relationship Crisis”

By Tommy Williams, CFP®

How do employers attract employees in a tightening labor market? Normally, the way you compete for labor in the business world are with higher wages and better benefits. During the past decade, the employment picture in the United States has shifted dramatically. In mid-2009, 15.4 million unemployed Americans were chasing 2.2 million available jobs. At the end of 2017, just 6.6 million Americans were unemployed, and employers were eagerly attempting to fill 6.6 million open jobs, reports Barron's.



Tommy Williams

Bloomberg offered some colorful examples:

*“Want ads for truck drivers to haul crude oil*

*in Texas are touting salaries as high as \$150,000 a year. Some nurses are getting \$25,000 signing bonuses. The U.S. unemployment rate just fell to 3.9 percent, one tick away from its lowest since the 1960s. And, on May 8, the Bureau of Labor Statistics reported there are 6.5 million unfilled jobs in the United States, the most on record. Some employers say they're feeling the squeeze.”*

Clearly, wages are moving higher for some types of jobs, but they're not increasing everywhere. Last week, the Bureau of Labor Statistics reported real average hourly earnings for all employees were flat from March to April. 'Real wages' mean wages after inflation is subtracted.

The fact that workers haven't gotten bigger raises *“this far into one of the longest expansions on record remains a puzzle,”* said Catherine Rampell at the Washington Post. One possible explanation is that there is more slack in the economy than the

unemployment rate suggests. There are still *“a lot of working-age people sitting on the sidelines”* who aren't counted in the official statistics. Wages won't rocket up until the ranks of those would-be workers are exhausted. Higher-earning baby boomers are also *“retiring en masse”* and being replaced by younger, cheaper counterparts, which could be skewing the wage figures. I think the recession is *“still casting a shadow”* said Paul Krugman of the New York Times. Employers are hesitant to cut wages even when times are desperate, because it's considered *“demoralizing and unfair.”* They are also reluctant to increase paychecks in good times, because they are afraid of being *“stuck with those higher wages if the economy turns bad again.”* That would explain why companies are increasingly offering one-time bonuses over raises, because it gives them more flexibility than permanent salary raises.

One thing we know for certain is that our economy has departed from the Industrial Age and is now solidly in the Information Age. An entirely different skill set and educational background puts a worker on a much better path toward successful employment. Not to mention the obvious number of hands required to complete many manual tasks has diminished. Perhaps the skill most needed in this new Information Age is that of relationship building. While the world of technology has connected us in many ways – and limited many repetitive manual functions – there is no doubt it has been at the cost of a loss in interpersonal relationships.

Actually, those connections with other human beings might be our most valuable resource. For those of us fortunate enough to hear Robert Hall speak on behalf of First Presbyterian Church and Community Renewal International last week the message was loud, clear and succinct. In his new book *This Land of*

Strangers he lays out indisputable facts, figures and a narrative regarding the value of relationships – the relationship crisis that imperils Home, Work, Politics and Faith. For those interested in the fate of our community it is an absolute “must read.”

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing. The economic forecasts set forth in the presentation may not develop as predicted and there can be no guarantee that strategies promoted will be successful. This material was prepared in part by Carson Group Coaching.

Visit us at [www.williamsfa.com](http://www.williamsfa.com). Tommy Williams is a CERTIFIED FINANCIAL PLANNER™ Professional with Williams Financial Advisors, LLC. Securities offered

through LPL Financial, Member FINRA/SIPC. Investment advice offered through RFG Advisory Group, a registered investment advisor. RFG Advisory Group, Williams Financial Advisors, LLC, and Carson Group Coaching are separate entities from LPL Financial. Branch office is located at 6425 Youree Drive, Suite 180, Shreveport, LA 71105.