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A PROFILE OF AMERICA'S UNDERUTILIZED TALENT POOL



Kenan-Flagler
Business School

uisc.kenaninstitute.unc.edu

James H. Johnson, Jr.
Stephen J. Appold
Jeanne Milliken Bonds

Urban Investment Strategies Center

UNC Kenan-Flagler Business School

University of North Carolina at Chapel Hill

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A PROFILE OF AMERICA'S UNDERUTILIZED TALENT POOL

Abstract

Bureau of Labor Statistics reveal a significant uptick in the underutilized American talent pool in 2025 despite the Trump Administration's America First workforce policy, which includes accelerated deportations of unauthorized workers and restrictions on foreign labor. After defining the underutilized talent pool, the demographic groups experiencing the most difficulty in the U.S. labor market in the first year of President Trump's second term in office are identified and policy prescriptions to rectify the problem are advanced.

Introduction

Prioritizing U.S. citizens for federal and private sector jobs is a key element in the Trump Administration's [America First](#) policy platform. Clamping down on [international migration](#), restricting foreign labor, and accelerating deportations of unauthorized workers are some of the programmatic pathways the White House is using to create preferential opportunities for American workers.

Prior research has demonstrated the adverse impact of these efforts on current and future U.S. population growth. Due in large part to constraints on international migration combined with [a long-term slowing rate of population growth](#), our nation is on a trajectory toward [absolute population](#) decline as early as the end of this year, which has enormous [implications](#) for future U.S. economic vitality and prosperity.

Moreover, it is unclear what affect America First policies are having on the U.S. work force, especially on the size and composition of the nation's underutilized talent pool. That is, individuals with marketable skills but who are unemployed, marginally attached, or discouraged for assorted reasons from participating in the U.S. workforce.

Purpose

To provide preliminary insights into this workforce issue, we draw upon BLS data on the underutilized talent pool across five recent time periods: Great Recession (2008-2010); pre-COVID (2018-2019); COVID (2020-2021); post-COVID (2022-2024); and Trump 2.0 (2025). For this research brief, the under-utilized talent pool in each of these time periods, as Table 1 shows, is defined based on the labor market experiences of six BLS-defined groups of individuals between the ages of 16 and 74: the long-term unemployed, dislocated workers, active job seekers, discouraged job seekers, marginally engaged job seekers, and involuntary part-time workers.

Table 1: Definitions of Underutilized Talent

Type	Description
Long-term Unemployed	Jobless for 15 weeks or longer
Dislocated Workers	Recent job loss/temporary employment
Active Job Seekers	Looked for work in prior 4 weeks
Discouraged Job Seekers	Not in labor force, do not believe jobs are available or that they are qualified for any that exist, & have looked for work in the past year but not in the prior 4 weeks.
Marginally Engaged Workers	Looked for work in past year but not in the prior 4 weeks.
Involuntary Part-Timers	Working part-time for economic reasons but desire full time employment

Source: BLS

Findings

As you would expect, the underutilized talent pool ebbs and flows with economic conditions and the overall health and wellbeing of our nation. As shown in Table 2, both the absolute number and percent of the U.S. labor force classified as underutilized talent were high during the Great Recession and during COVID. By comparison, the absolute numbers and percentages were much lower during the two years pre-COVID and during the three years post-COVID. Notably, however, there was a significant uptick in both the absolute number and percent of the U.S. labor force classified as underutilized talent during the first year of Trump’s second term in office (2025) compared to the yearly average number and percent during the preceding three post-COVID years (2022-2024).

Table 2: U.S. Underutilized Talent, Selected Years, 2008-2025

Time Period	Labor Force	Under-Utilized Talent	Percent Under-Utilized
2008-2010 (Great Recession)	149,710,534	21,640,754	14.4
2018-2019 (Pre-COVID)	156,110,031	12,179,270	7.8
2020-2021 (COVID)	154,859,558	17,669,123	11.4
2022-2024 (Post-COVID2025)	159,928,249	11,860,153	7.4
2025 (Trump 2.0)	164,196,470	13,767,900	8.4

Source: BLS

Above-average relative increases the number of discouraged workers, the long-term unemployed, dislocated workers, and those engaged in involuntary part-time work were responsible for the significant absolute increase in the underutilized talent pool in 2025, as Table 3 shows.

Table 3: Absolute & Percent Change in Underutilized Talent by Type, 2022-2025

Type	Trump 2.0 (2025)	Post-COVID (2022-2025)	Absolute Change	Percent Change
All	13,767,899	11,860,153	1,907,746	16.1
Long-term Unemployed	2,880,148	2,231,818	648,330	29.0
Dislocated Workers	1,482,037	1,220,950	261,087	21.4
Active Job Seekers	2,499,538	2,435,192	64,346	2.6
Discouraged Workers	501,949	366,622	135,327	36.9
Marginally Engaged Workers	1,457,090	1,325,175	131,915	10.0
Involuntary Part-Time Workers	4,947,137	4,280,396	666,741	15.6

Source: BLS

Table 4 disaggregates the change in the underutilized talent pool between the 2022-2024 yearly average (post-COVID) and 2025 absolute number (first year of Trump 2.0) by selected demographic characteristics, including sex, age, race, and level of education attainment. Scrutiny of the data in this table reveals that some demographic subgroups are more affected than others.

Table 4: Absolute & Percent Change in Under-utilized Talent, By Selected Demographic Characteristics, 2022-2025

Sex				
Sex	Trump 2.0 (2025)	Post-COVID (2022-2024)	Absolute Change	Percent Change
Both sexes	13,767,900	11,860,153	1,907,749	16.1
Male	7,292,238	6,397,523	894,715	14.0
Female	6,475,662	5,462,630	1,013,032	18.5

Age				
Age Group	Trump 2.0 (2025)	Post-COVID (2022-2024)	Absolute Change	Percent Change
All ages	13,767,900	11,860,153	1,907,749	16.1
16-19	1,222,235	998,189	224,046	22.4
20-24	2,458,690	1,992,362	466,328	23.4
25-54	7,695,544	6,717,980	977,564	14.5
55-64	1,642,980	1,457,990	184,990	12.7
65-74	641,812	566,085	75,727	13.4

Race				
Race/Ethnicity	Trump 2.0 (2025)	Post-COVID (2022-2024)	Absolute Change	Percent Change
All Races	13,767,900	11,860,153	1,907,749	16.1
Asian	880,968	670,424	210,544	31.4
Black	2,459,432	2,027,899	431,533	21.3
Hispanic	3,761,461	3,188,694	572,767	18.0
White	6,135,664	5,506,951	628,713	11.4
Other	530,375	466,185	64,190	1.4

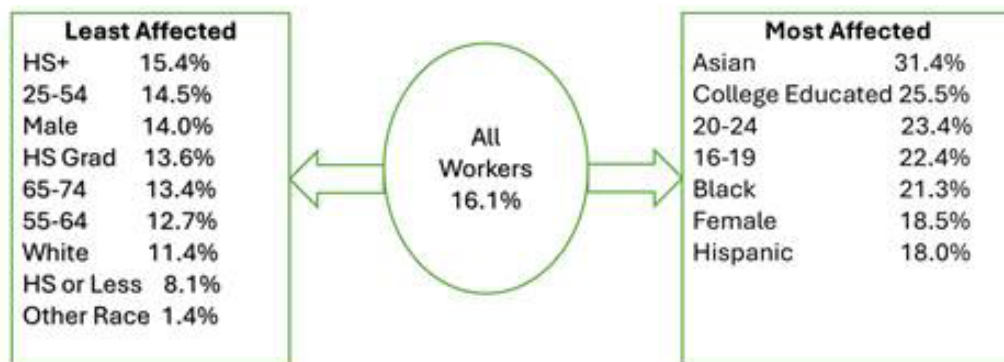
Educational Attainment				
Educational Attainment	Trump 2.0 (2025)	Post-COVID (2022-2024)	Absolute Change	Percent Change
All Education Levels	13,767,900	11,869,153	1,907,749	16.1
HS or less	1,991,414	1,638,676	132,738	8.1
HS Grad	3,191,531	4,570,184	621,347	13.6
HS +	3,273,888	2,837,073	436,815	15.4
College	3,531,067	2,814,220	716,847	25.5

Source: BLS

To highlight the differential impacts, Figure 1 uses the percent change in underutilized talent for all workers (16.1%) to identify the least affected and most affected demographic groups in the U.S. workforce. Asians, Blacks, and Hispanics, females, the college educated, and individuals between the ages of 16 and 24 were more likely to be affected than Whites, members of other races, males, the less than a college educated, and those in the 25-54, 55-64, and 65-74 age groups between 2022-2024 (Post-COVID) and 2025 (Trump 2.0).

Figure 1

Demographic Groups Least & Most Affected by Talent Underutilization Between 2022-2024 (Post-COVID) and 2025 (First Year of Trump 2.0)



Source: BLS

Table 5 compares the U.S. labor force and the underutilized talent pool by the same set of demographic characteristics. Viewed from this slightly different lens, Blacks, Hispanics, the young, and the less-educated are over-represented and Asians, Whites, prime aged-workers, and the more-educated are under-represented in the underutilized talent pool.

Table 5: Comparison of U.S. Labor Force & Under-utilized Talent Pool by Selected Demographic Characteristics, 2025

Absolute Number	Percent of Labor force	Demographic Characteristic	Percent of Under-utilized Talent	Absolute Number
164,196,470	100.0	ALL	100.0	13,661,271
Sex				
86,635,947	53.4	MALE	53.0	7,292,238
75,601,485	46.6	FEMALE	47.0	6,475,662
Race				
12,296,321	7.6	ASIAN	6.4	880,968
19,447,416	12.0	BLACK	17.8	2,549,432
33,116,817	20.4	HISPANIC	27.3	3,761,461
93,174,827	57.4	WHITE	44.6	6,135,664
4,202,050	2.6	OTHER	3.8	530,375
Age				
3,313,795	2.1	16-19	9.0	1,222,235
12,823,656	7.9	20-24	18.0	2,458,690
108,201,205	66.8	25-54	56.3	7,695,554
27,628,567	17.1	55-64	12.0	1,642,980
9,914,262	6.1	65-74	4.7	641,812
Education				
8,826,158	5.4	HS OR LESS	12.9	1,771,414
45,547,631	28.1	HS GRAD	37.7	5,191,531
39,337,991	24.3	HS +	23.8	3,273,888
68,525,652	42.2	COLLEGE	25.7	3,531,067

Source: BLS

Concluding Thoughts

The U.S. on the cusp of [absolute population decline](#) for the first time in recent history. The nation's impending decline is driven by [several disruptive demographic forces](#), including age-related mortality and premature deaths among the native-born population, absolute non-Hispanic white population loss, declining fertility, and the clampdown on international migration undergirding the anti-immigrant sentiment enveloping our country. For the U.S. workforce, workplaces, and consumer markets, the implications and consequences are far-ranging and likely to seriously compromise U.S. competitiveness in international markets.

Despite the labor-saving potential of AI, the recent uptick in the U.S. underutilized talent pool is a major cause for concern, especially given the demographic groups identified as most underutilized—young people, women, and people of color (Asians, Blacks, and Hispanics). Workforce policies are urgently needed to rebuild bridges to the world of work for these groups. Given ongoing turbulence and uncertainty in all levels of society, workforce and workplace policies must be responsive to the personal, family, and household challenges that currently serve as barriers to sustained engagement in the U.S. labor market for some members of these groups.

Insights into the nature and frequency of these barriers can be gained from the Census Bureau's [Household Trends and Outlook Pulse Survey \(HTOPS\)](#)—a monthly panel survey that monitors emergent social and economic matters facing U.S. households. Specific workforce policies and workplace HR strategies, programs, and practices to address the barriers and obstacles uncovered in the February 2025 HTOPS are available in a [series of data driven blogs](#) on embracing iceberg demographics as a talent management strategy.

In these blogs, we use the term [iceberg demographics](#) because many of the workforce and workplace challenges and barriers uncovered in HTOPS were, like the ninety percent of a freshwater iceberg that is submerged below the waterline, visually imperceptible (e.g., an autoimmune disease like lupus) and therefore could be—and often are in real life—misconstrued as “fit” problems in employment screens and interviews or daily workplace interactions. However, we assert that, once understood in terms of both nature and frequency, workforce policies and workplace accommodations can be put into place that address the challenges and barriers, creating in the process pathways to gainful and stable employment for many in the nation's underutilized talent pool.

The Census Bureau recently released the results of the [April 2025 HTOPS](#). As we have argued [elsewhere](#), combined with a fair and just immigration policy and a recommitment to the American Ideal of economic opportunity for all, these data can serve as the basis for additional evidence-driven workforce policies and workplace strategies and practices that address America's underutilized talent problem.



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