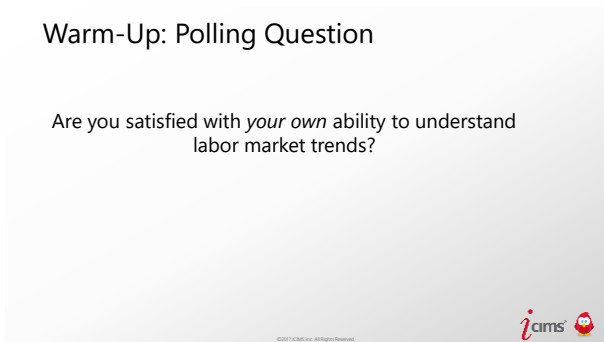






Warm-Up: Polling Question

Are you satisfied with *your own* ability to understand labor market trends?



Warm-Up: Polling Question

What proportion of *your hiring managers* do you think are satisfied with their own ability to understand labor market trends?

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My Background



iCIMS, Inc.

- Analysis of U.S. labor markets and hiring trends
- Building novel labor market indicators

Previously at:

- **Bloomberg** – macroeconomic analysis, novel economic indicators, frequent commentator on Bloomberg Radio and Bloomberg TV.
- **The Federal Reserve** – financial crisis response, research, and policy advising across the legislative and executive branches of the federal government.

 Twitter: @JWrightStuff

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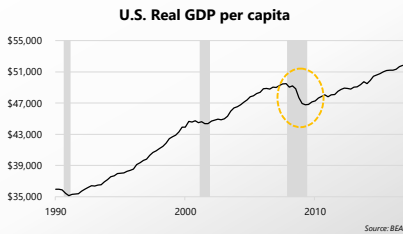
U.S. Labor Market Outlook

(1/3)

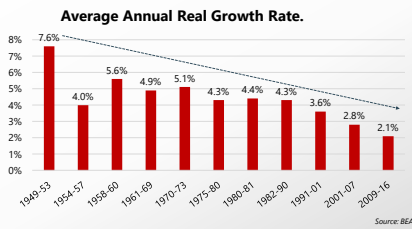
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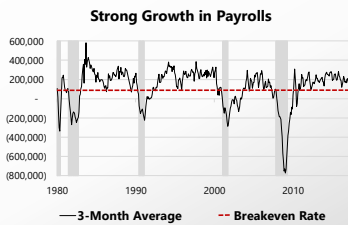
U.S. Growth



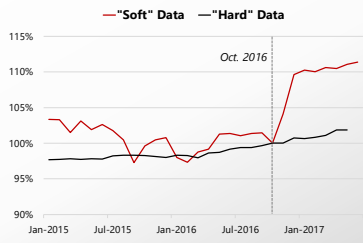
U.S. Growth



A Long-Lived But Lackluster Recovery



High Hopes for 2017

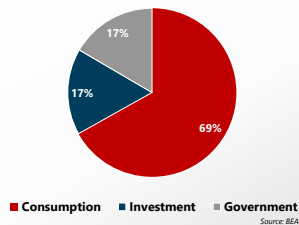


Growth Outlook & Recession Risk

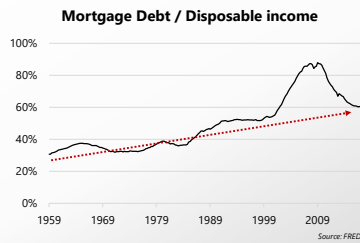


Engines of Growth

Domestic Spending - Q1 2017



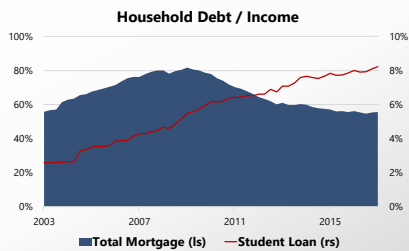
Household Balance Sheets Look Healthier



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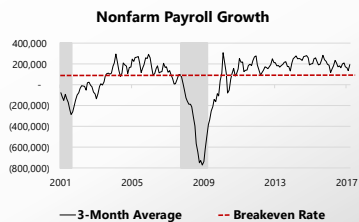
... But New Vulnerabilities Lurk



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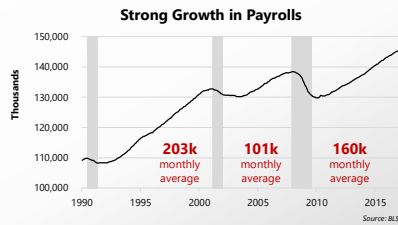
Lynchpin to the Outlook



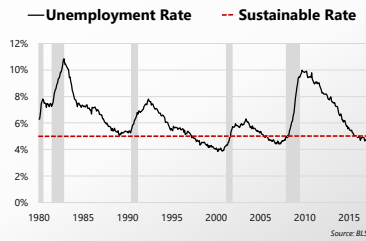
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Another Look at Job Growth



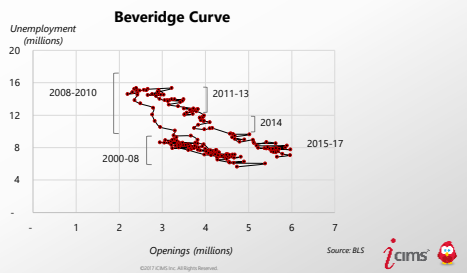
Full Employment?



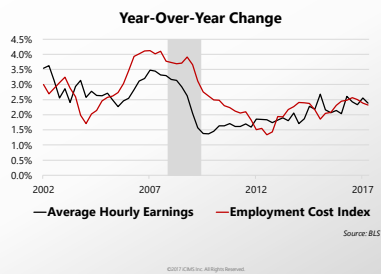
Pool of Officially “Unemployed”



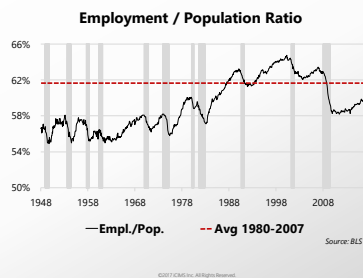
More Openings / Unemployed



Wage Growth: Still Moderate



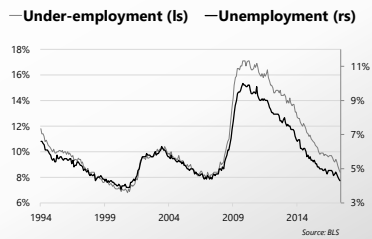
Demographics



Demographics

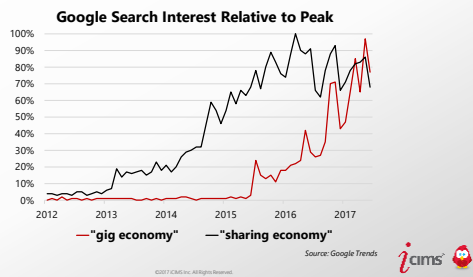


Dwindling Slack

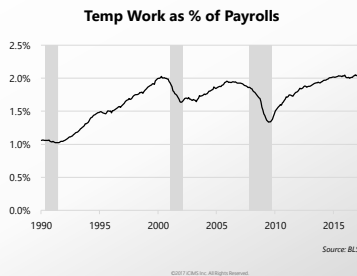


The Changing Nature of Work (2/3)

Contingent Work & the Gig Economy



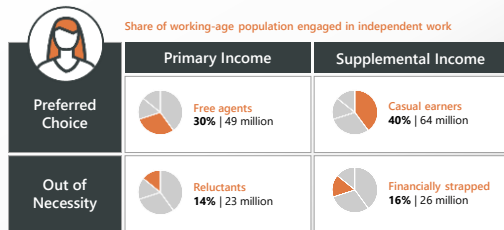
Contingent Work: Temps



Contingent Work: New BLS Survey

- First survey by BLS since 2005.
- Conducted May 2017
- Results expected late 2017 or early 2018.
- How many questions do you think they have added?

Contingent Work: Taxonomies

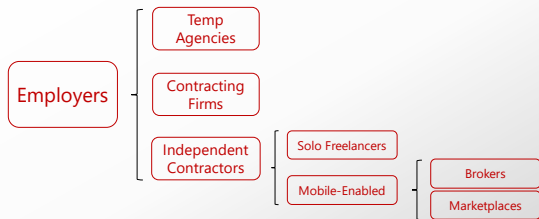


Source: 2016 McKinsey Global Institute survey of ~8,000 US and European respondents

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Contingent Work: Taxonomies



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Flexibility vs. Unpredictability

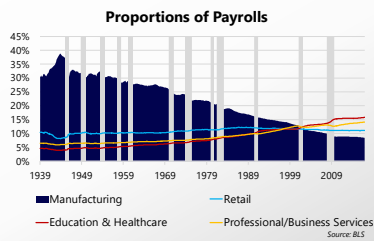
Managing the unpredictability of contingent work

- Hybrid status: "dependent contractors"
- Portable benefits
- Encourage saving
- Better labeling: breadwinning vs. supplementary

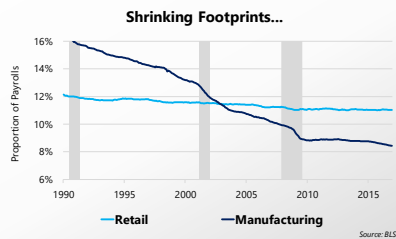
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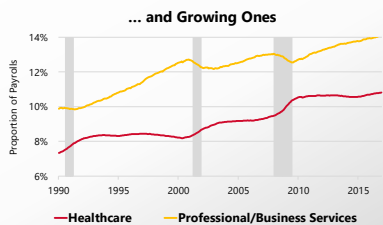
Other Shifts: Industry Composition



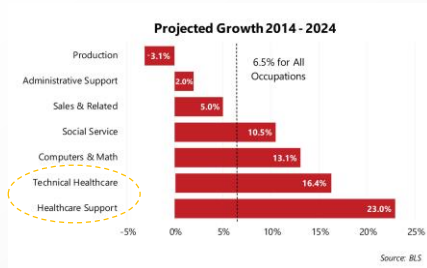
Shifting Industries



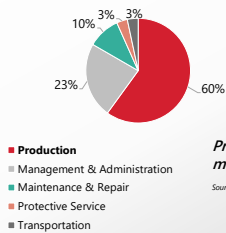
Shifting Industries



Shifting Occupations



Shifting Occupations




Production occupations are more likely to be at risk

Source: BLS projections

iCIMS Hiring Data


3,500+ Customers

 **2.3 million**
Jobs per Year

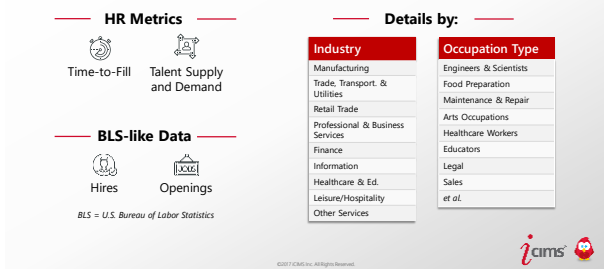
 **32.2 million**
Applicants per Year

Real-time & granular

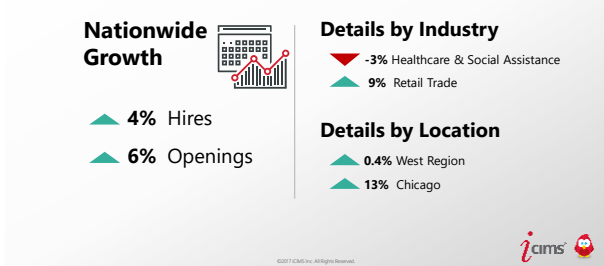
Full life-cycle of applying and hiring



iCIMS Data: Breaking It Down



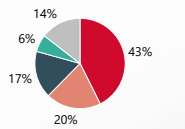
iCIMS Data: Monthly Hiring Indicator



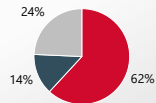
iCIMS Data: Growth in Hires



iCIMS Data: Occupations

**Healthcare
& Social Services**

■ Technical Healthcare
 ■ Healthcare Support
 ■ Management & Administration
 ■ Community and Social Service
 ■ Other

Retail Trade

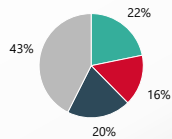
■ Sales and Related Occupations
 ■ Management & Administration
 ■ Other

Source: iCIMS

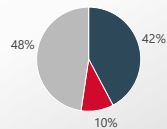


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iCIMS Data: Occupations

Manufacturing

■ Production Occupations
 ■ Sales & Related Occupations
 ■ Management & Administration
 ■ Other

**Professional
& Business Services**

■ Management & Administration
 ■ Sales & Related
 ■ Other

Source: iCIMS



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iCIMS Data: Occupations

Manufacturing

"Other" Occupations = 43%	
Computer & Mathematics	9%
Installation, Maintenance, & Repair	8%
Architecture & Engineering	7%
Business & Financial Operations	6%
Healthcare Support	5%

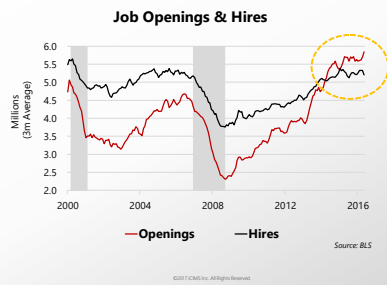
**Professional
& Business Services**

"Other" Occupations = 48%	
Arts, Design, Entertainment, Sports, & Media	9%
Computers & Mathematics	9%
Business & Financial Operations	8%
Protective Services	4%
Production Occupations	3%
Architecture & Engineering	3%
Food Preparation & Serving Related	3%

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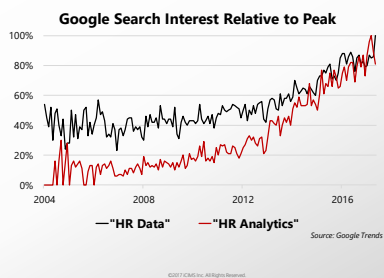
Skills Gaps?



The Economics of Talent Acquisition (3/3)



The Technologization of TA



Technologization of TA vs. Other Industries



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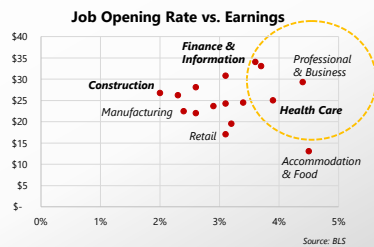
Technologization of TA vs. Other Industries



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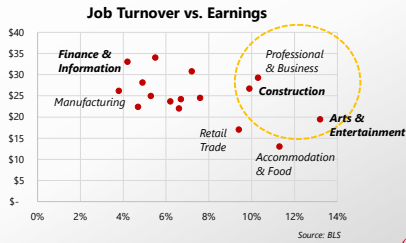
Labor: Supply + Demand ≠ Price



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Labor: Supply + Demand \neq Price



Matching Markets

"Matching" means selection based on other criteria, in addition to or instead of price.

Price Alone	No Prices	"Prices Plus"
Wheat & Oil	Organ Donation	Housing
Stocks & Bonds	Public Schools	Residency Match
Any Commodity	Online Dating	Jobs

Matching Markets

To be successful, markets must be:



Thick



Uncongested



Safe

Matching Markets



Thick

You won't go to the market if it doesn't offer a good selection of products and vendors.

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Matching Markets



Uncongested

You won't stay at the market if you can't get served quickly enough.

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Matching Markets



Safe

You won't be honest about your true preferences unless it is safe to do so.

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Matching & Matchmaking

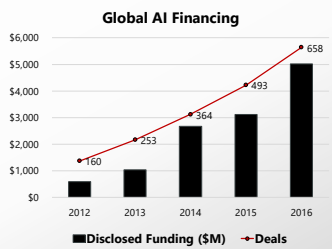
Solution?

Set up the right **intermediaries** who can:

- 1) Attract enough buyers and sellers,
- 2) Give them enough confidence to share information,
- 3) Organize that information, and
- 4) Match buyers and sellers.



Artificial Intelligence is Hot...



... But Prediction is Hard