

Why Good People Can't Get Jobs

Peter Cappelli

The Wharton School

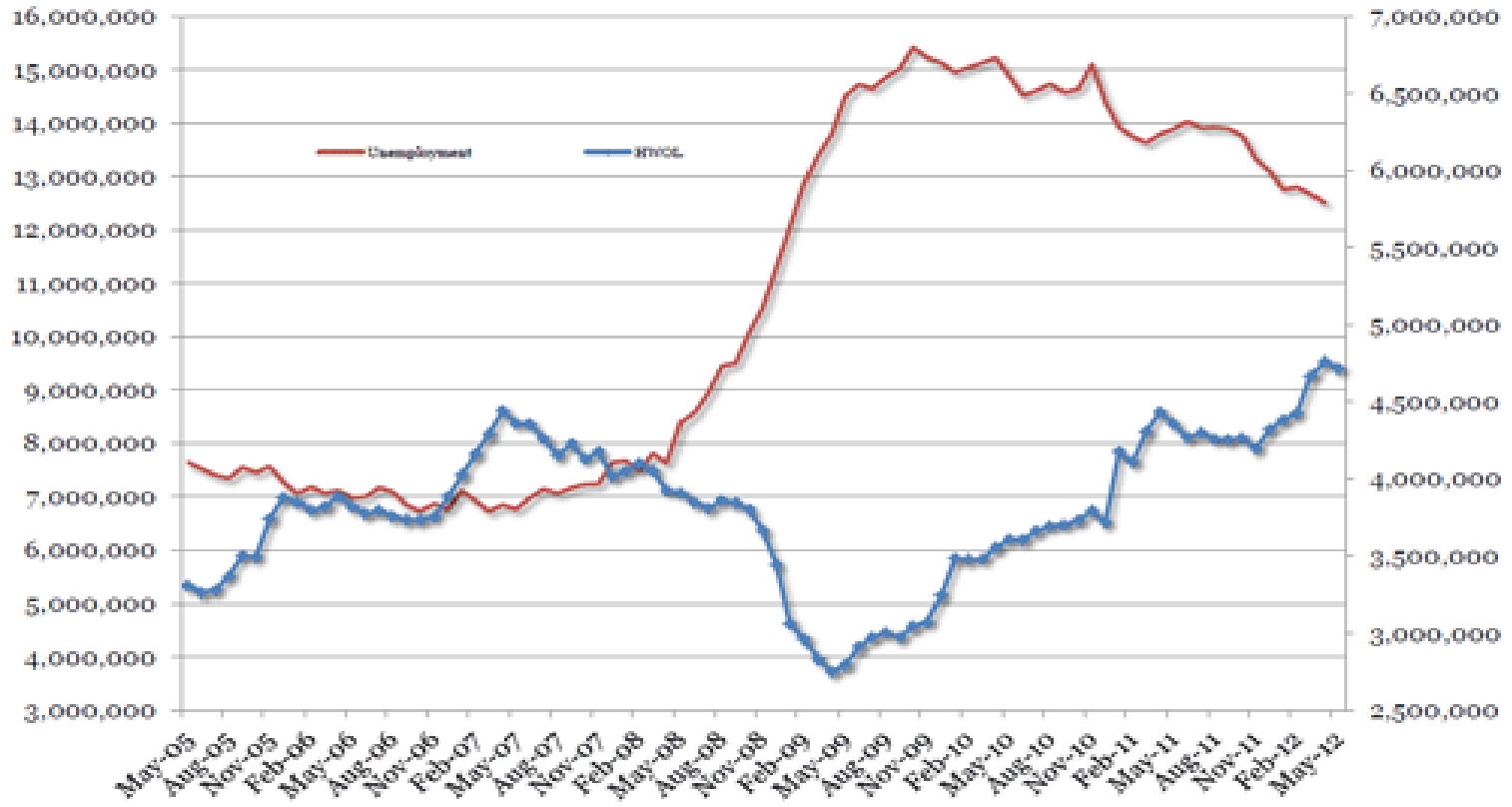
| | |
|-------------|-----|
| US | 9% |
| Switzerland | 4% |
| Spain | 18% |
| Japan | 5% |
| Norway | 3% |
| Germany | 8% |
| China | 4% |
| India | 10% |



Chart 1. Labor Supply vs. Labor Demand
U.S. Seasonally Adjusted Data

No. Unemployed

No. of Ads

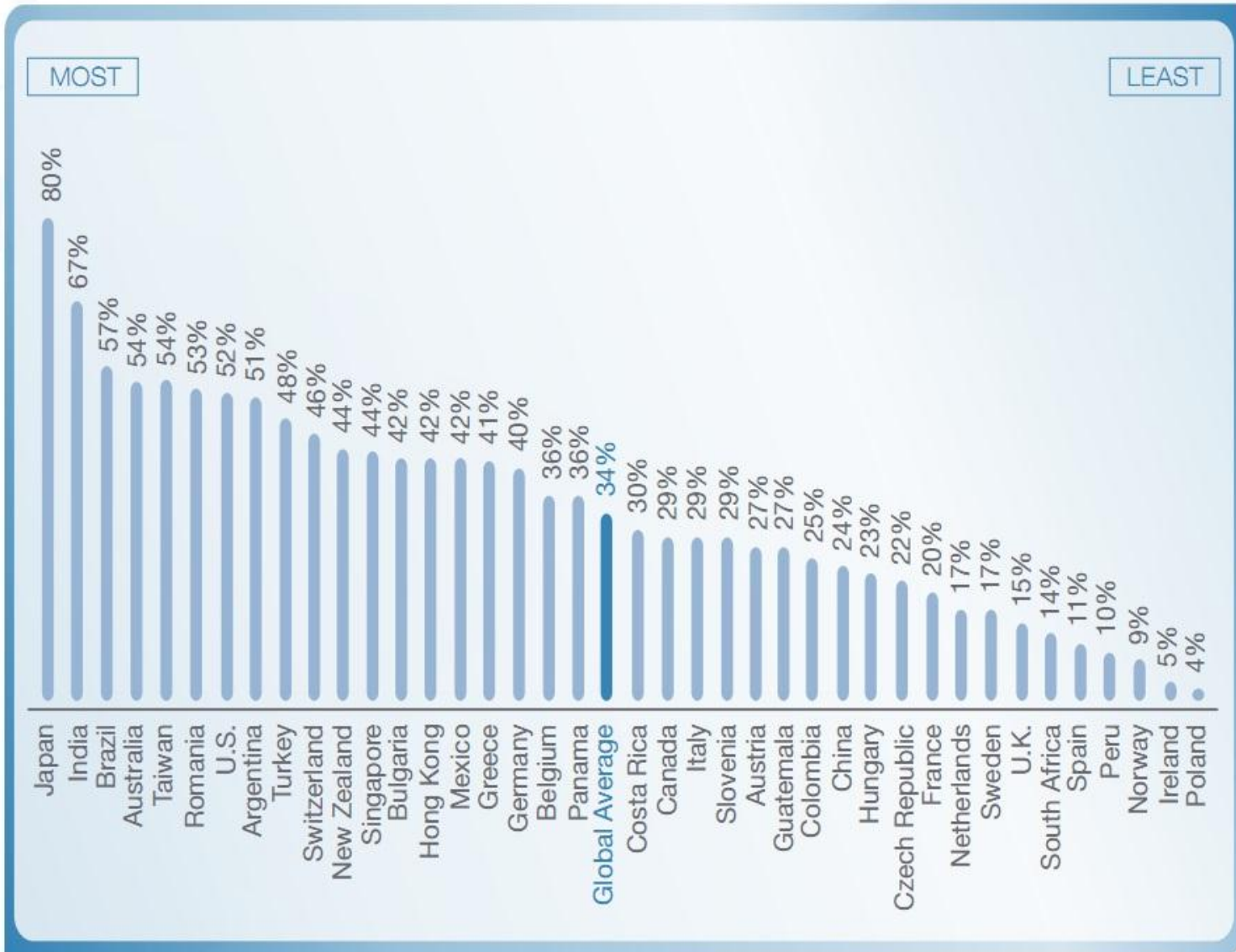


Source: The Conference Board, BLS

Yet employers complain...

Source: Manpower survey

FIGURE 3. DIFFICULTY FILLING JOBS BY COUNTRY

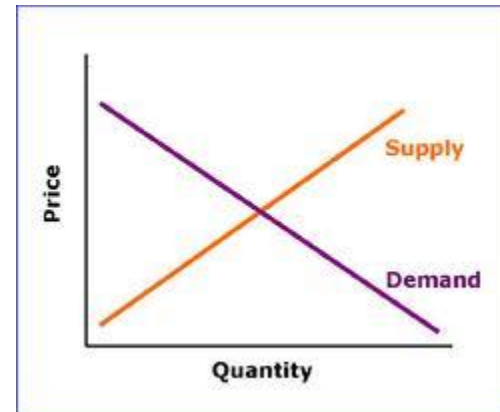


*TOP 10 JOBS HARDEST TO FILL JOBS GLOBALLY**

| POSITION | 2006 | 2010 | 2011 |
|-------------------------------|------|------|------|
| Technicians | 3 | 3 | 1 |
| Sales Reps | 1 | 2 | 2 |
| Skilled Trades | 5 | 1 | 3 |
| Engineers | 2 | 4 | 4 |
| Laborers | N/A | 10 | 5 |
| Mgmt/Execs | 10 | 8 | 6 |
| Accounting & Finance Staff | 9 | 5 | 7 |
| IT Staff | 6 | - | 8 |
| Production Ops | 4 | 6 | 9 |
| Office Support | 7 | 7 | 10 |

* Source: Manpower Survey

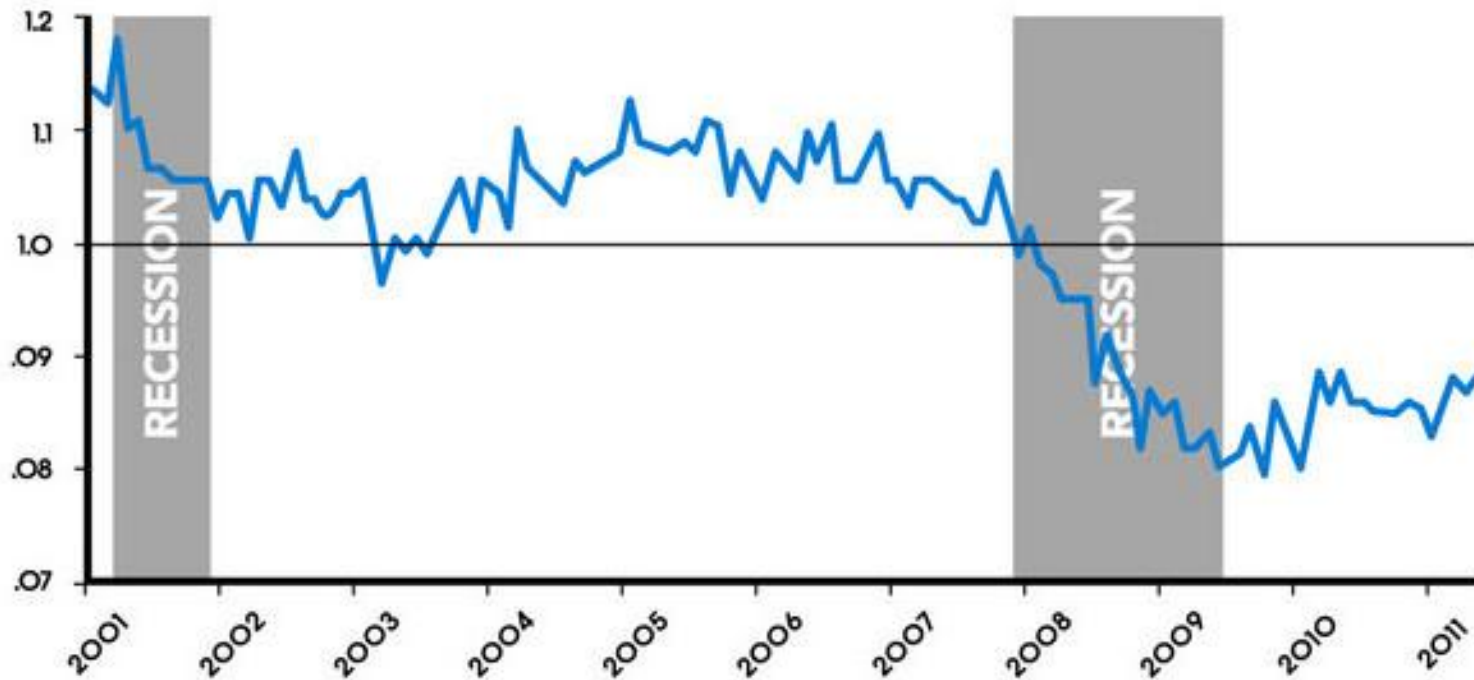
Won't wage adjustments solve the problem?



How Hard Are We Looking?

RECRUITING INTENSITY PER JOB VACANCY, JANUARY 2001 TO MAY 2011

Source: Steven J. Davis, Jason Faberman and John Haltiwanger using data from the Job Openings and Labor Turnover Survey. Recessions, as dated by the NBER.



Note: Data for the Nonfarm U.S. economy excluding the federal government.

Complaints about new hires....



Not complaining about academic skills in new hires....



The new plug-and-play labor market....



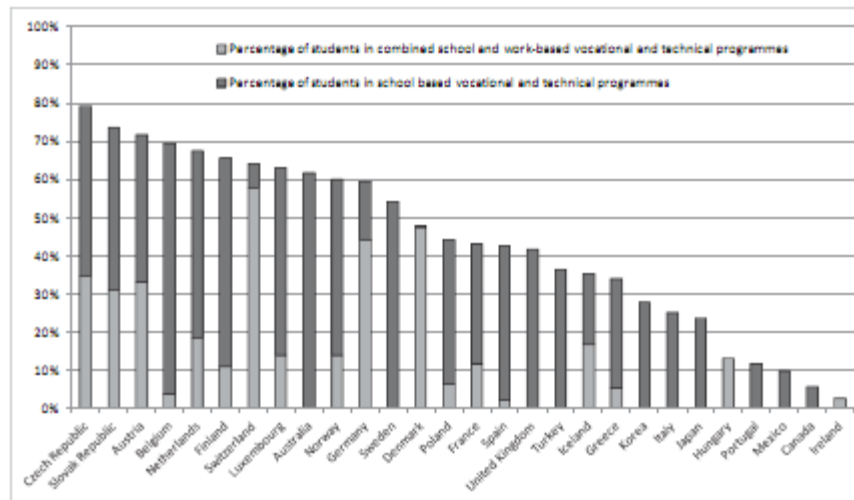
Work-based skills are the issue

- Most employers provide some



Work-based skills taught in school

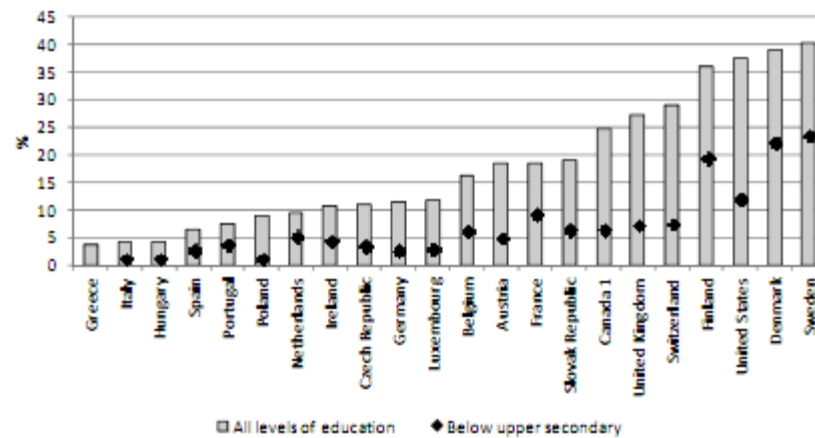
Figure 2 Vocational education and training as a share of the upper secondary sector (ISCED 3), 2006



Source: OECD (2008), *Education at a Glance 2008: OECD Indicators*, Table C1.1, OECD, Paris.

Some get skills after leaving schools and outside of work

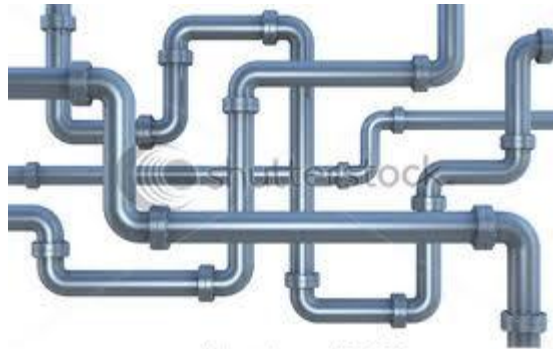
Figure 1.2 Participation in job-related continuing education and training
By level of education, 2003



Note: 1. Year of reference 2002.

Source: OECD (2008), *Education at a Glance, OECD Indicators*, Table C5.1a, OECD, Paris.

Crazy Hiring Processes?



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Market-Makers....

