

Making Sense of the Noise

Economic, Labor, & Recruitment Trends

2022Q2

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ANALYSIS

Making Sense of the Noise

Economic, Labor, & Recruitment Trends

2022Q2



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Making Sense of the Noise

Economic, Labor, & Recruitment Trends

pandologic.com/labormarketinsightsreport-Q22022

2022Q2

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LABOR MARKET INSIGHTS REPORT

Making Sense of the Noise

2022Q2 | Economic, Labor, & Recruitment Market Trends

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LABOR MARKET INSIGHTS REPORT

- 01 EXECUTIVE SUMMARY
- 02 ECONOMIC OVERVIEW
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COST PER APPLICANT is Trending Down in Q2

\$7.26

CPA LEVEL IN JUNE 2022

CPA Softening in 2022

Insurance, pharmaceutical, and healthcare sectors topped the list of high-skill industries with high CPAs at or above \$10 per applicant, along with the sales and real estate industries. From a services perspective, retail and installation & maintenance also proved expensive in June 2022 with CPA rates at \$13.10 and \$11.60 per applicant. However, administrative and human resource sectors in the business listed CPA rates below \$4 per applicant, along with the arts & entertainment, media, and design sectors. The big story for CPA is that the sectors experiencing high conversion rates lately are the same sectors that are also enjoying low CPA rates.

While the competitive hiring landscape has squeezed the budgets for recruiters and HR professionals since the pandemic, the 2022 CPA rates are a bright spot of good news, specifically in the second quarter.

Overview

Economic Overview

Labor Market

Labor Market Breakdown

Recruitment Marketing

Key Takeaways

Overview

Economic Overview

Labor Market

Labor Market Breakdown

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Key Takeaways

Overview

Economic Overview

Recession | GDP | Inflation | Policy

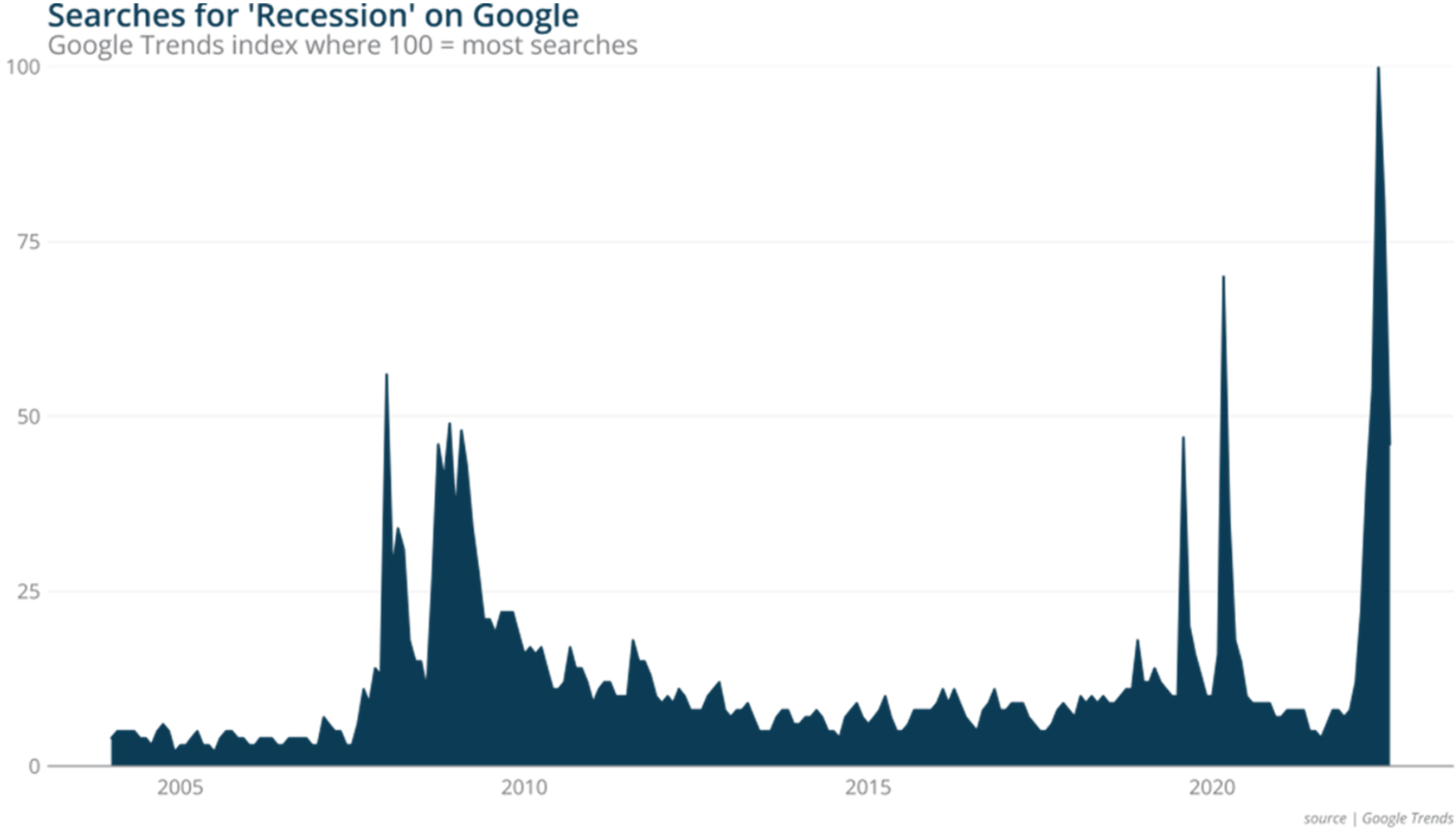
Labor Market

Labor Market Breakdown

Recruitment Marketing

Key Takeaways

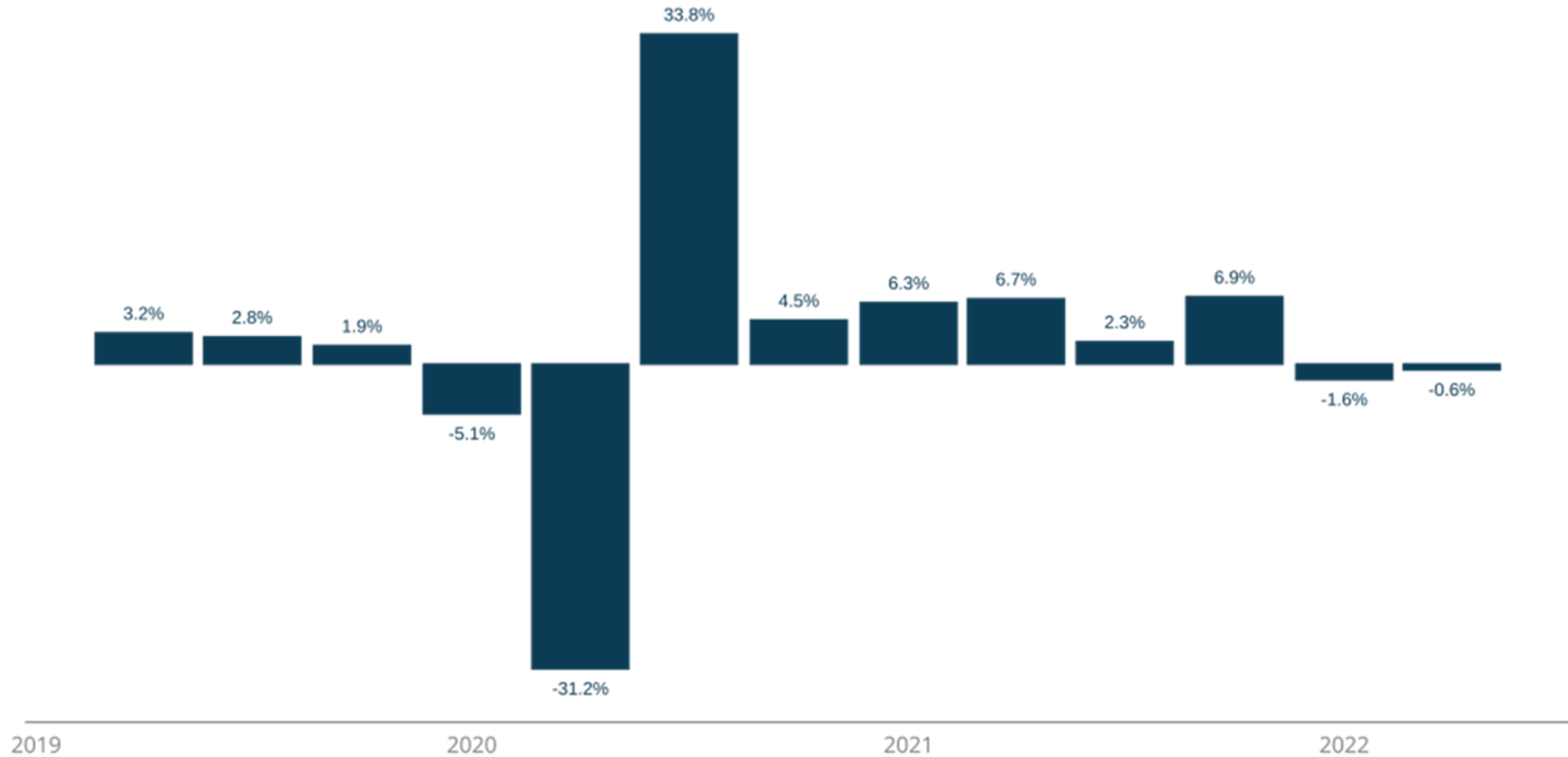
The question of 2022...are we in a recession?



Officially...no, at least one has yet to be declared

Real GDP Declines in 2022

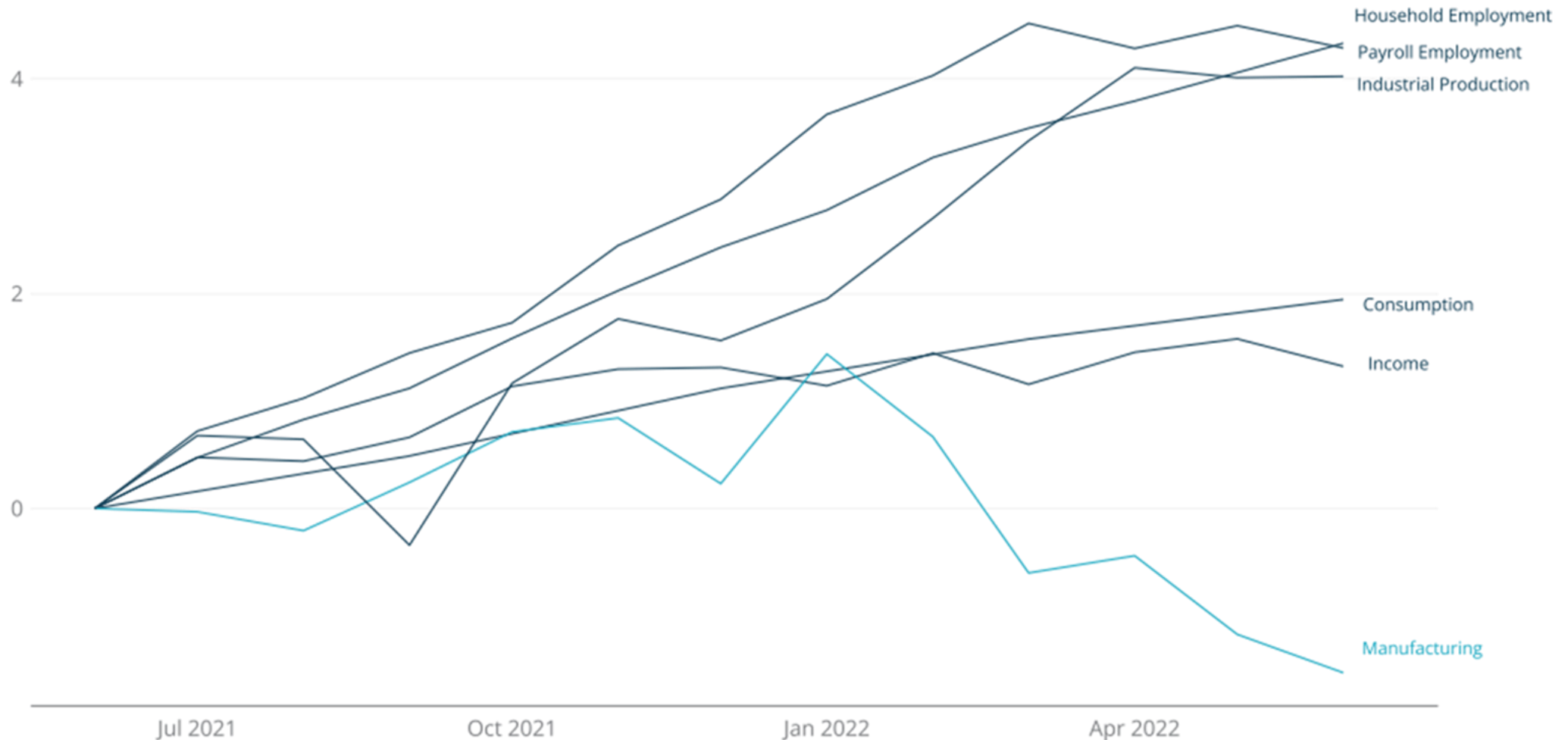
percent change from preceding quarter at seasonally adjusted at annual rates



Are we in recession? In spite of economic challenges, labor market indicators have been a source of strength in recent quarters

Selected NBER Economic Indicators

cumulative percentage change relative to June 2021



source | various collected from Federal Reserve Economic Database (FRED)

Overview

Economic Overview

Recession | **GDP** | Inflation | Policy

Labor Market

Labor Market Breakdown

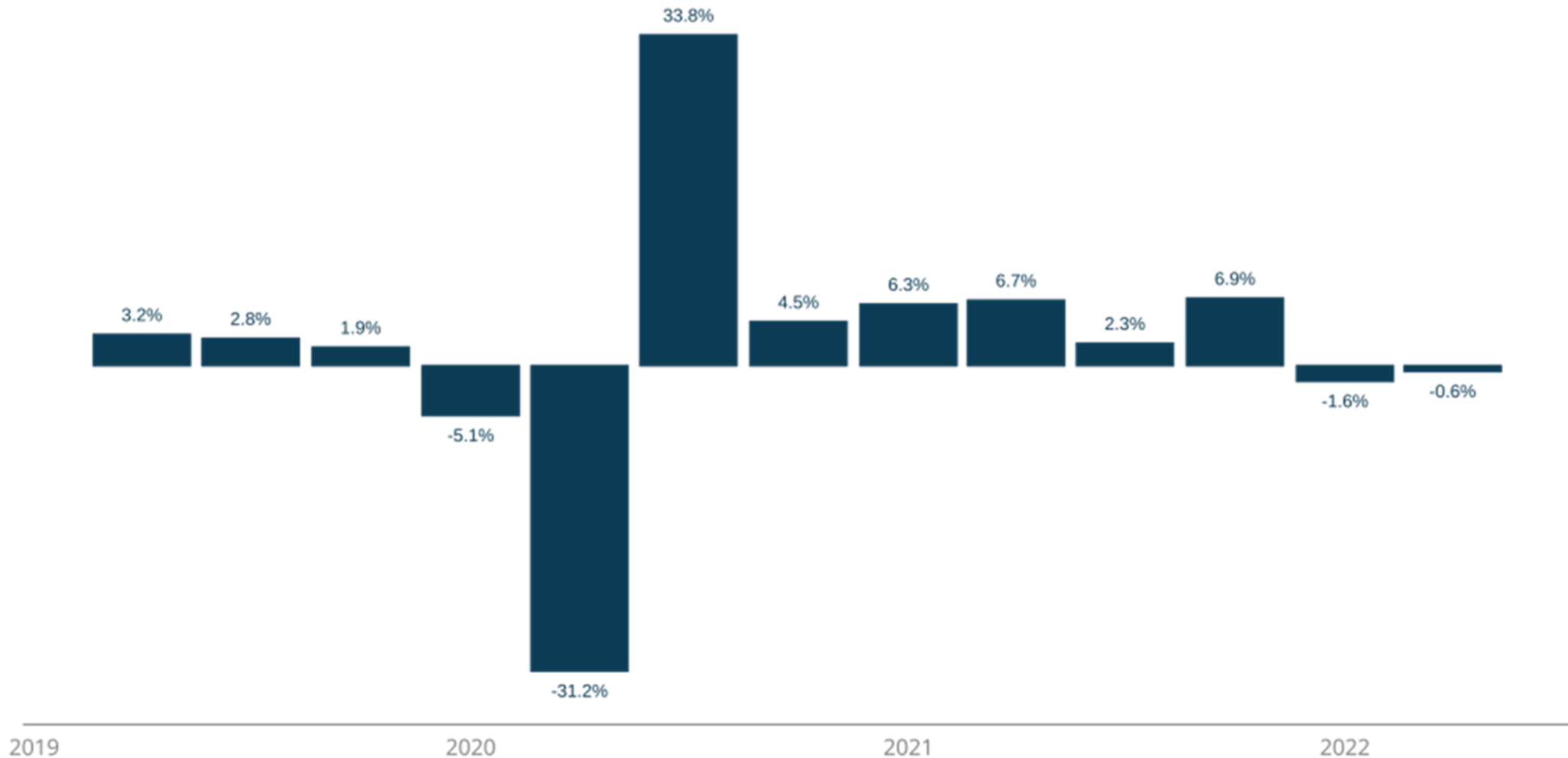
Recruitment Marketing

Key Takeaways

Q2 data suggests that the economy shrank at an annualized rate of 0.6%

Real GDP Declines in 2022

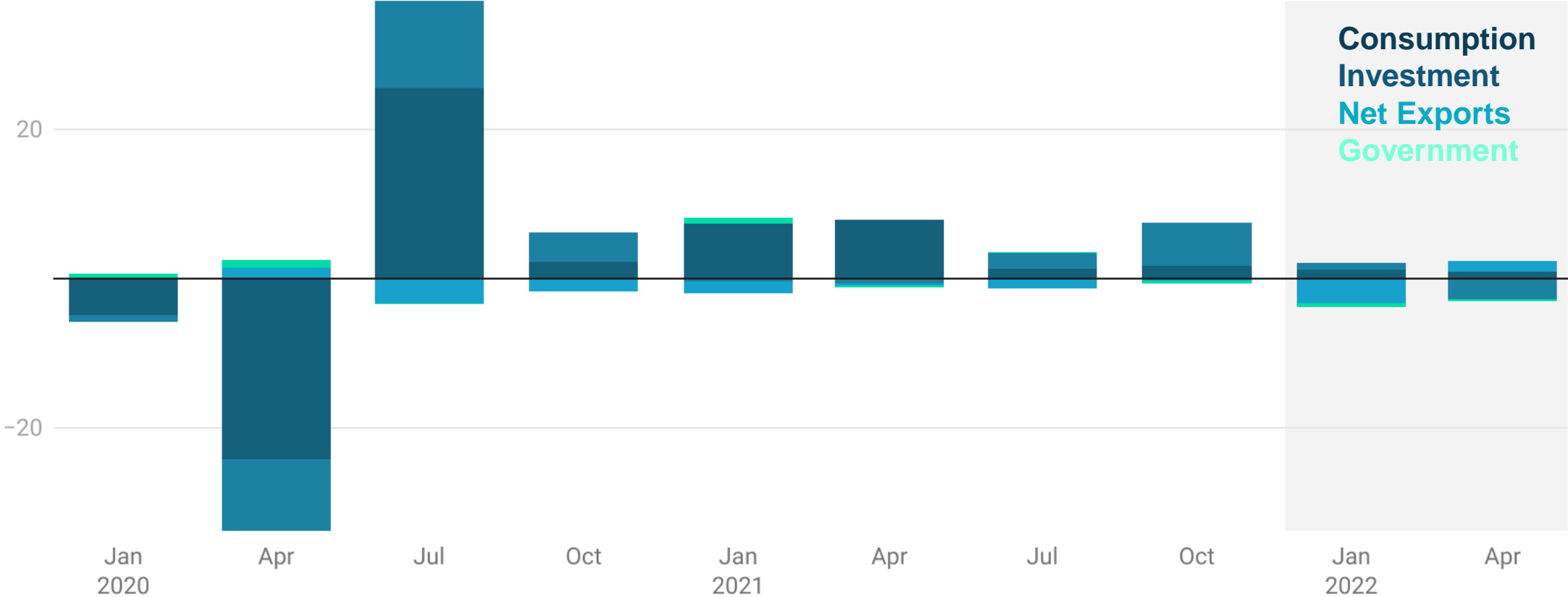
percent change from preceding quarter at seasonally adjusted at annual rates



Of course, the details matter with swings in consumption and investment over the past year

GDP Component Contributions

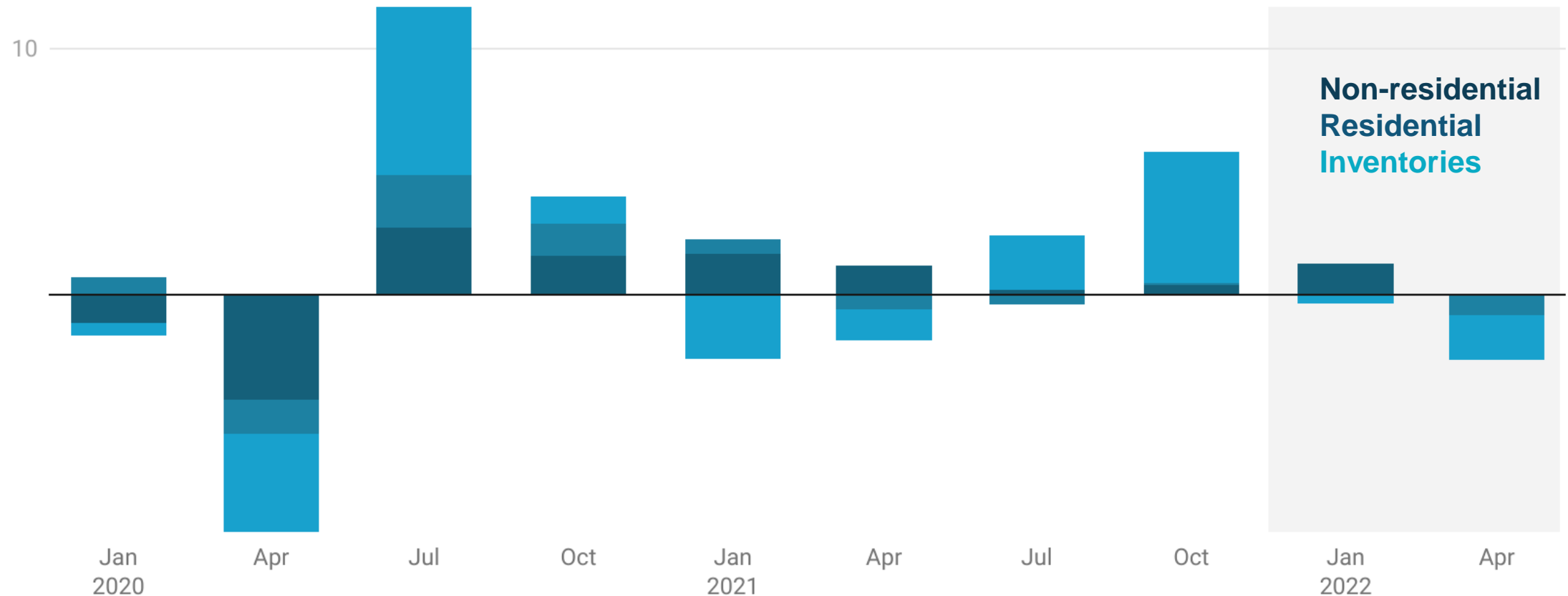
contributions to the percent change in GDP



Of course, the details matter with swings in consumption and investment over the past year

Business Investment Contributions

contributions to the percentage change in GDP business investment



Overview

Economic Overview

Recession | GDP | **Inflation** | Policy

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Labor Market Breakdown

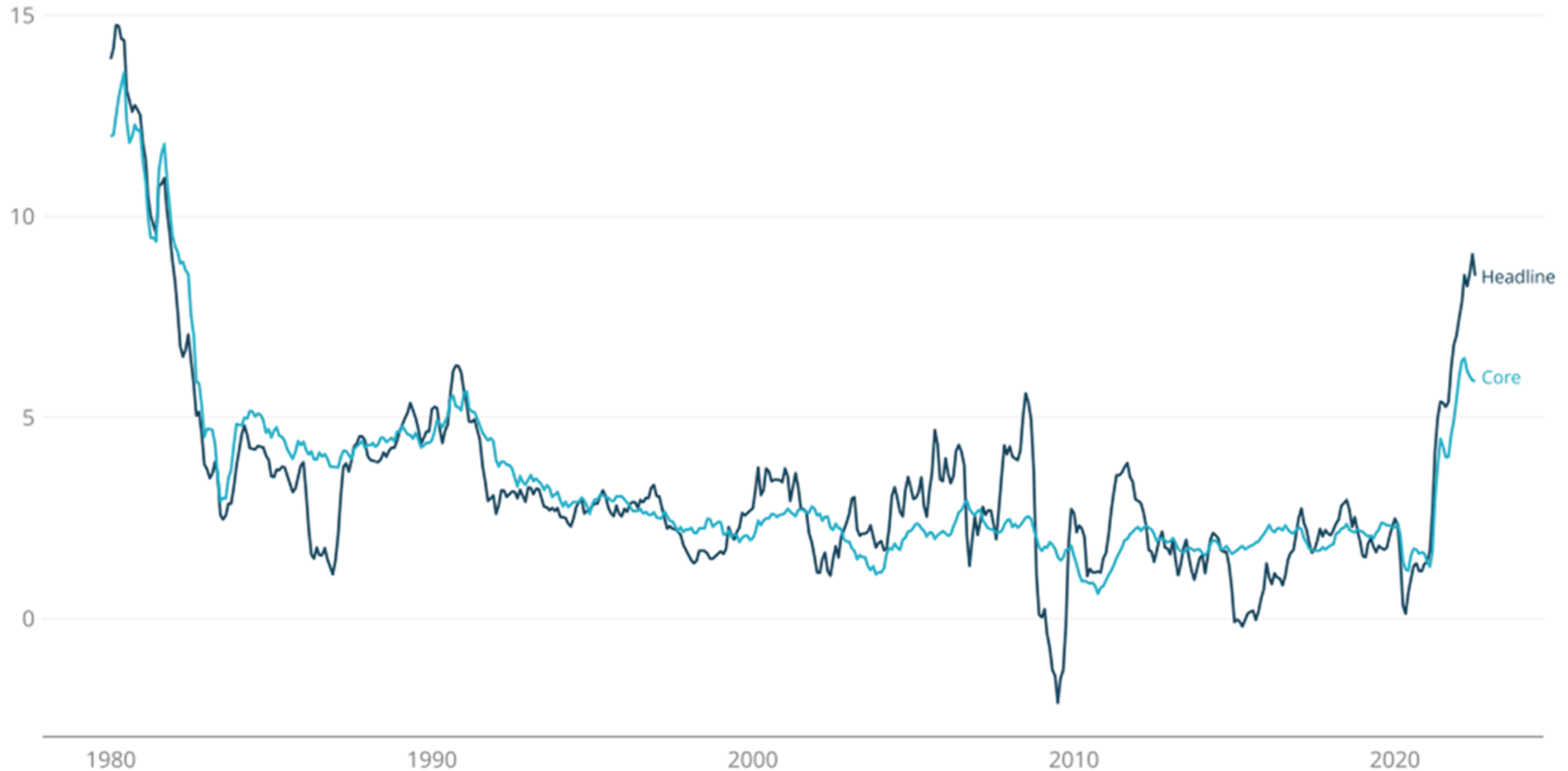
Recruitment Marketing

Key Takeaways

Inflation rates rise to forty-year highs

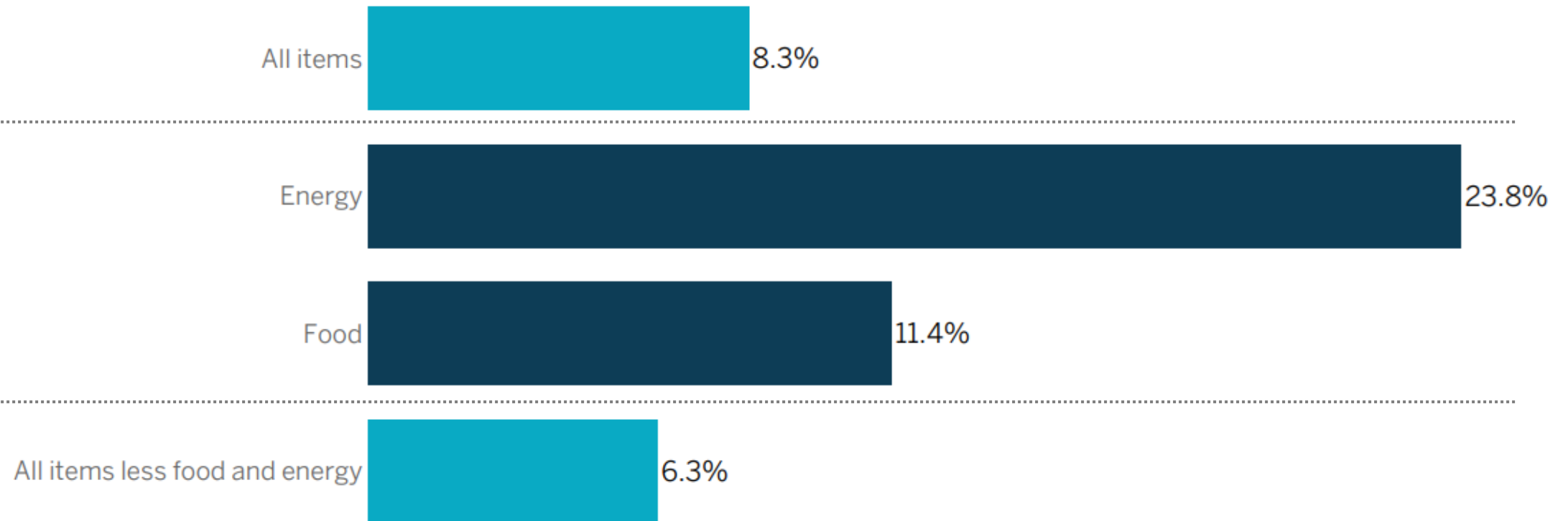
US Inflation Hits Forty Year High

headline inflation (all items CPI) vs. core inflation (all items less food and energy CPI) | annual % change



About 20% of the year-over-year inflation is linked to food and energy price changes

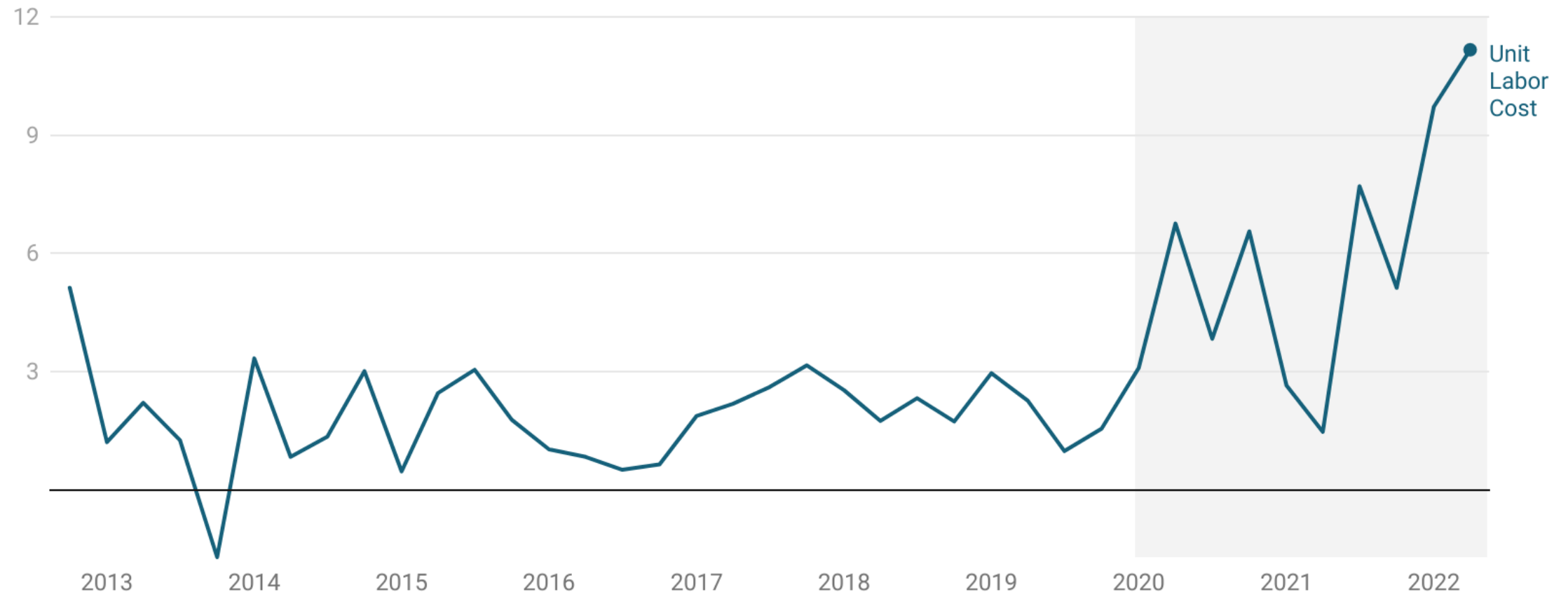
Price Movers Perspective | Annual Percentage Change (Aug 2021 - Aug 2022)



Supply side pressures, such as labor costs, have contributed to the inflation challenges in addition to demand side factors

US Unit Labor Costs

annual percent change



Overview

Economic Overview

Recession | GDP | Inflation | **Policy**

Labor Market

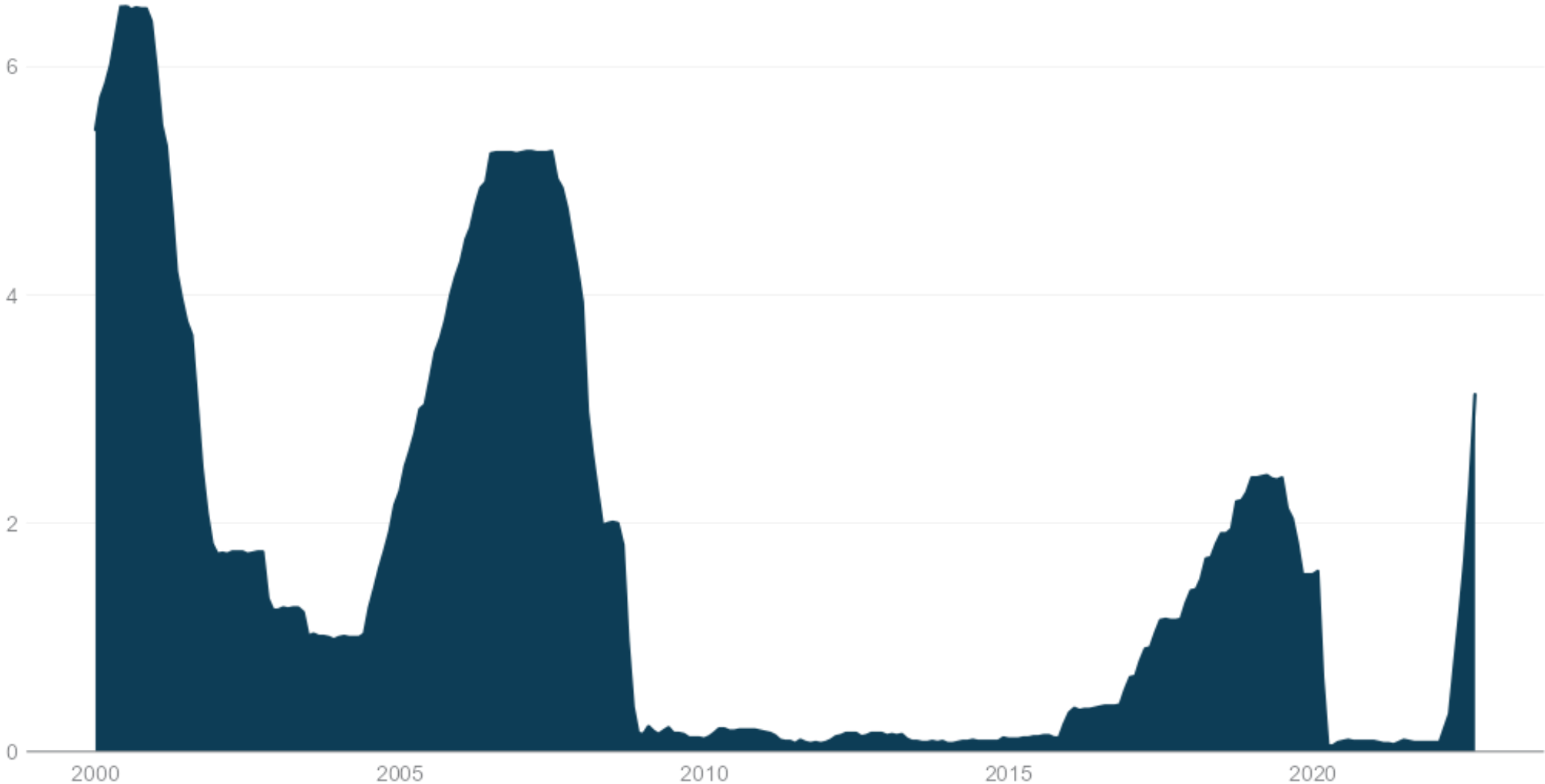
Labor Market Breakdown

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Key Takeaways

The Fed continues to raise interest rates to combat inflation

Federal Reserve Raises Rates
Federal Funds Rate

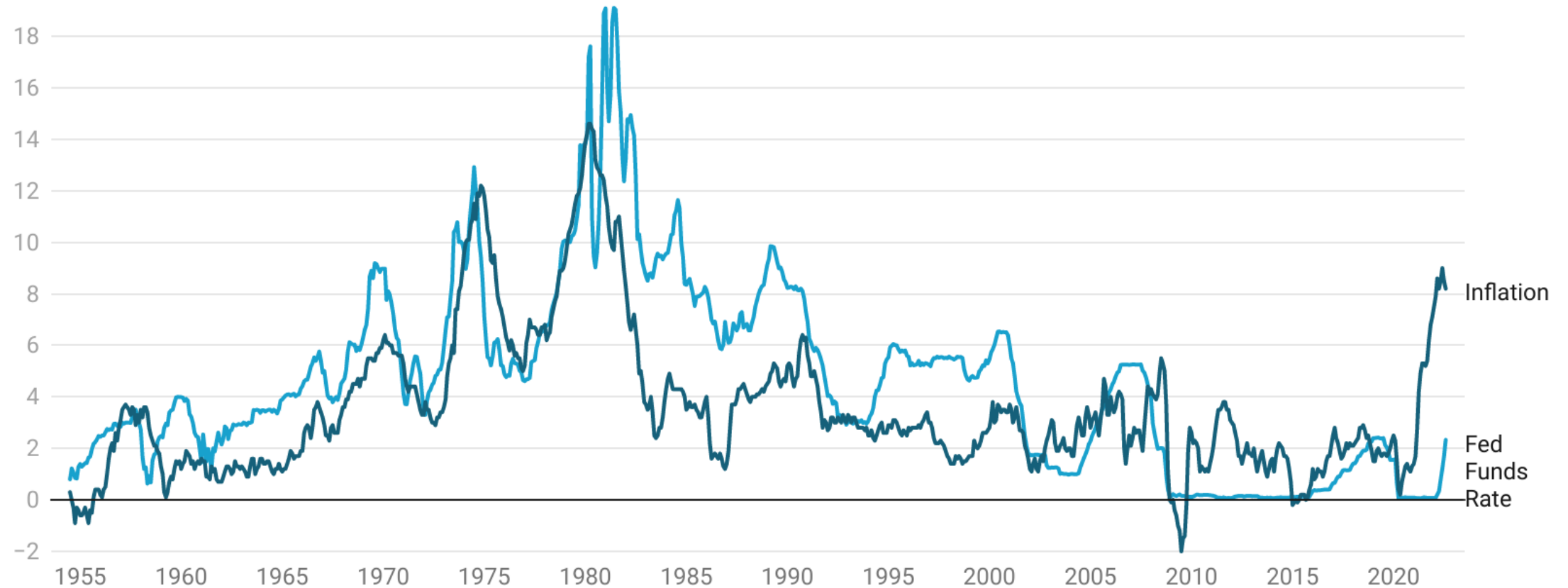


source | Federal Reserve

Why the delay and why the extreme response? A look at history...

Interest Rates + Inflation: a long run relationship

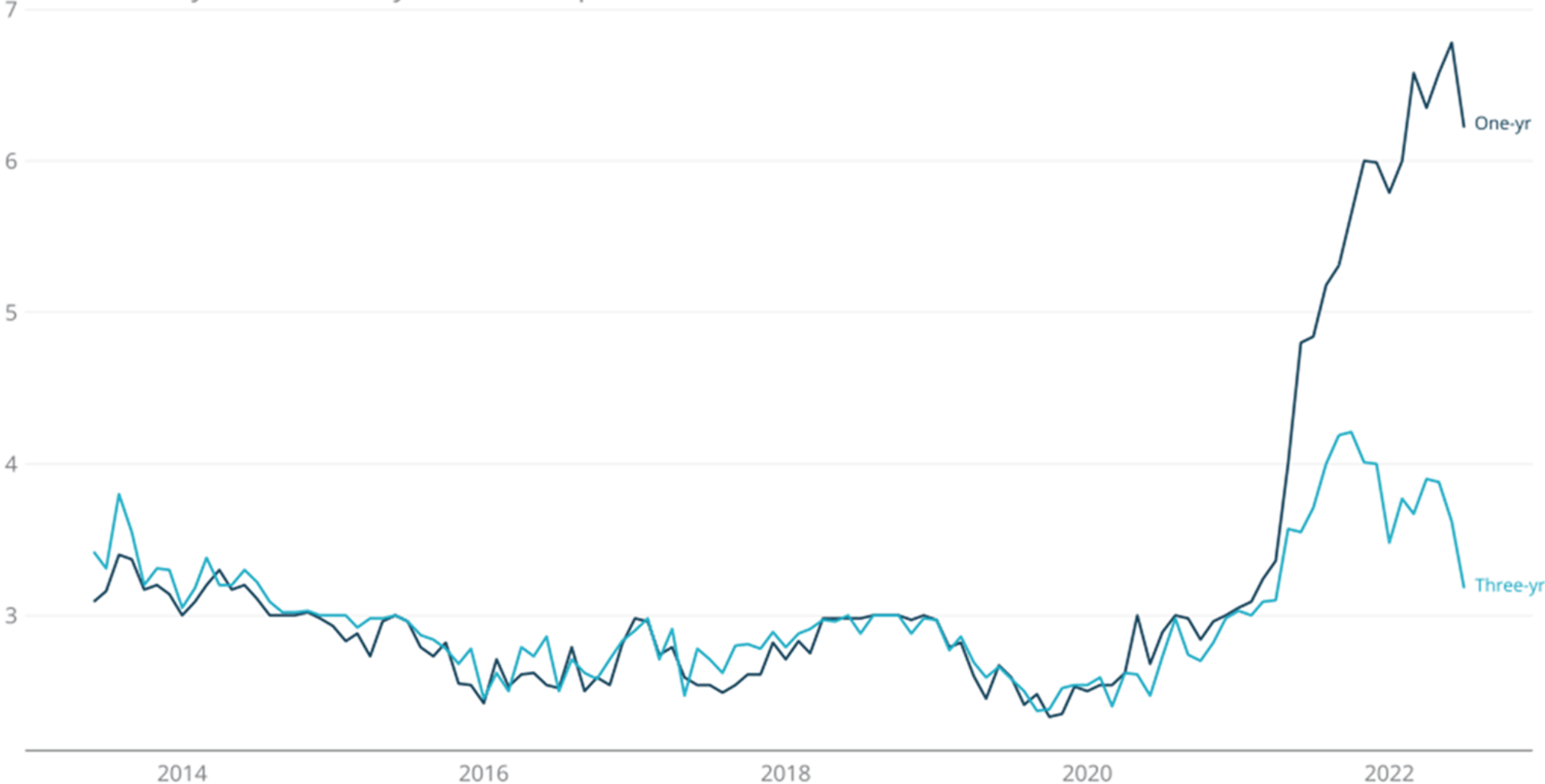
annual percentage change in all items CPI and the effective federal funds rate



Recent Fed moves are weighing into inflation expectations

Forward-looking Consumer Inflation Expectations Cooling

median one-year and three-year ahead expected inflation



source | Federal Reserve Bank of New York Consumer Expectations

Overview

Economic Overview

Labor Market

Unemployment | LFP | Job Openings |
Wages

Labor Market Breakdown

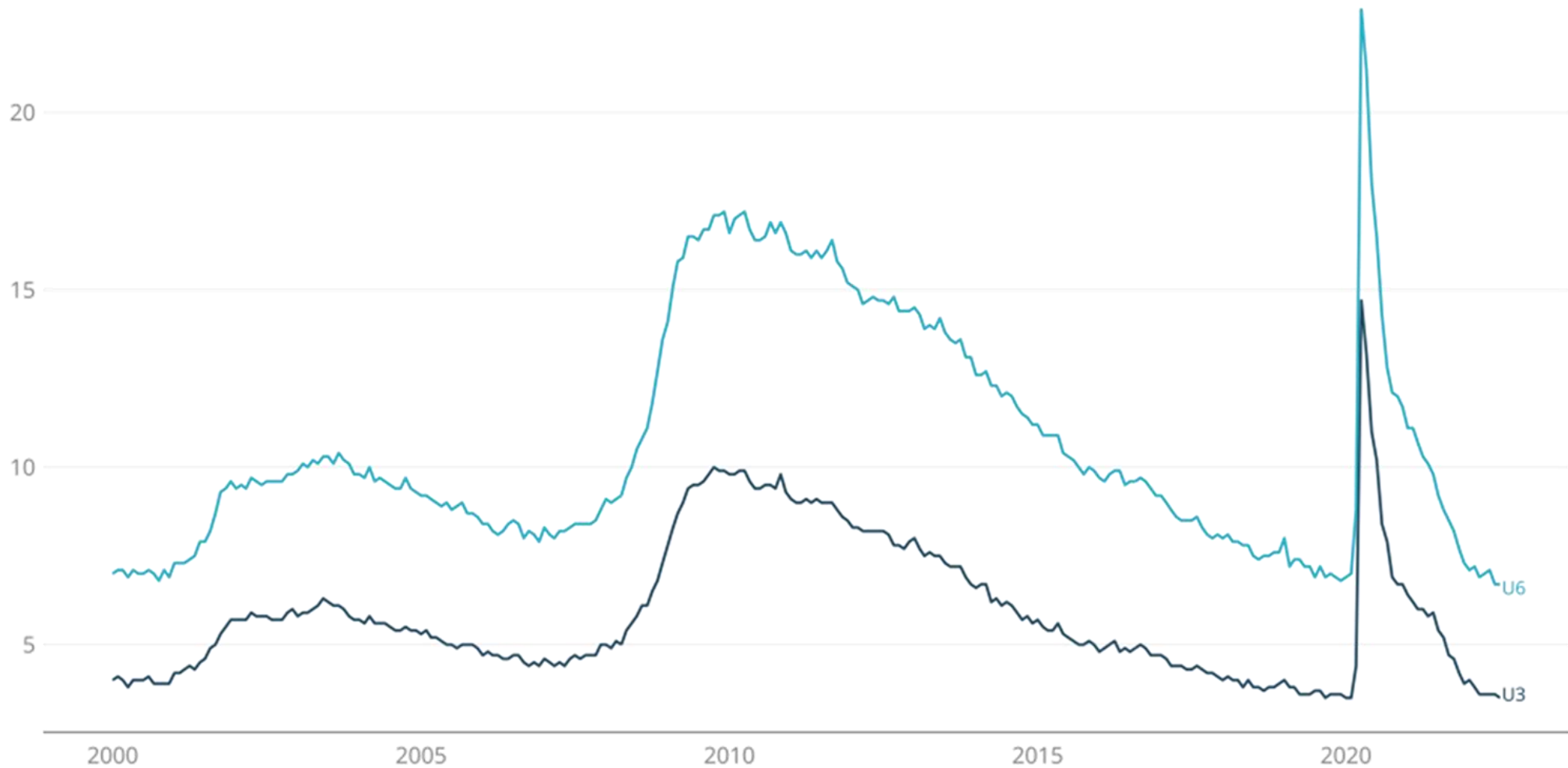
Recruitment Marketing

Key Takeaways

Low unemployment rates continue to be a sign of strength

Unemployment Rates Remain Near Historic Lows

official (U3) unemployment rate vs U6 unemployment rate



Overview

Economic Overview

Labor Market

Unemployment | **LFP** | Job Openings | Wages

Labor Market Breakdown

Recruitment Marketing

Key Takeaways

Labor force participation rate climbing back, but still short of pre-pandemic levels

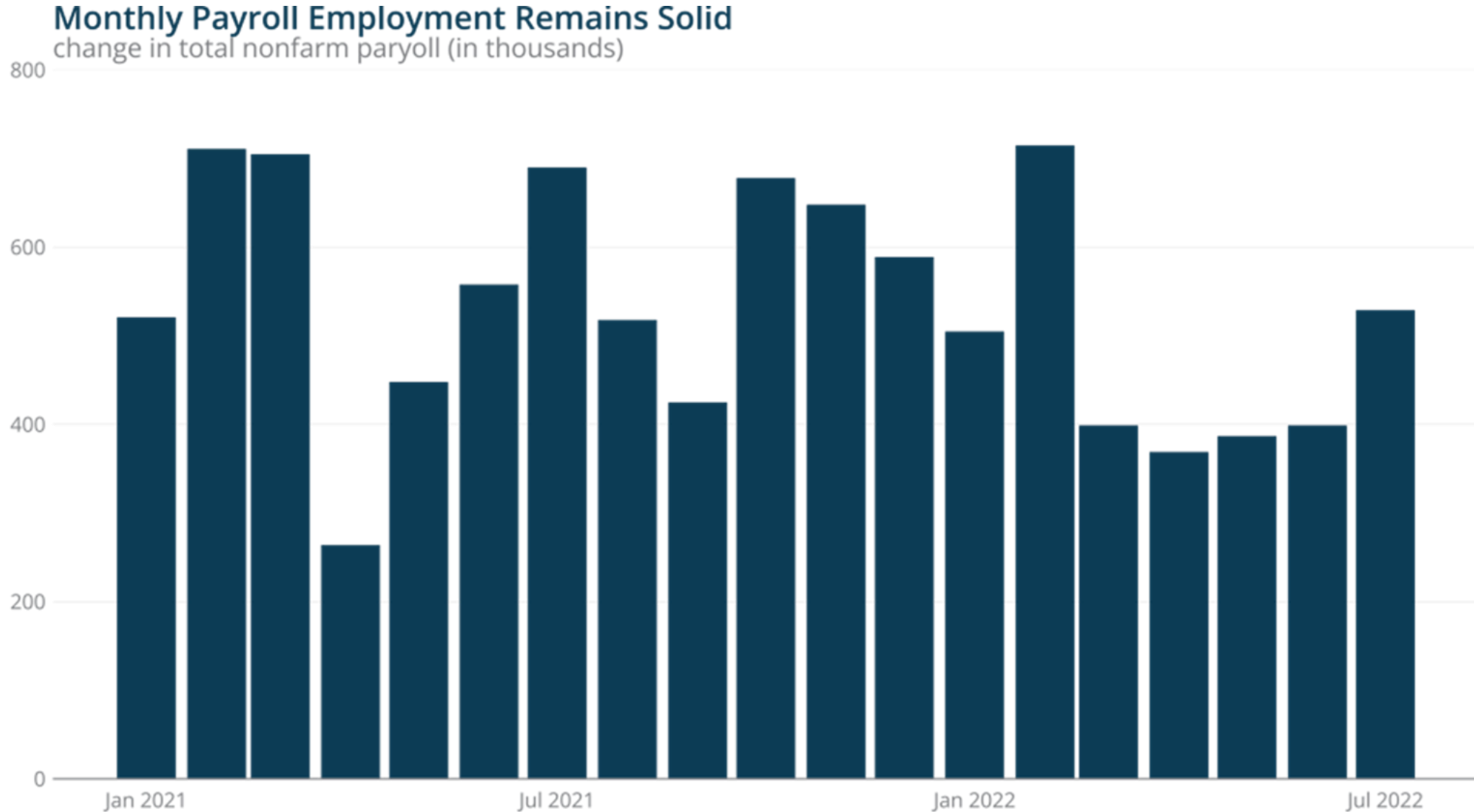
Labor Force Participation Recovering to New Normal

participation rate is the ratio of the civilian labor force to the working age population



source | Bureau of Labor Statistics

Positive job growth has been the trend the past 2 years



Overview

Economic Overview

Labor Market

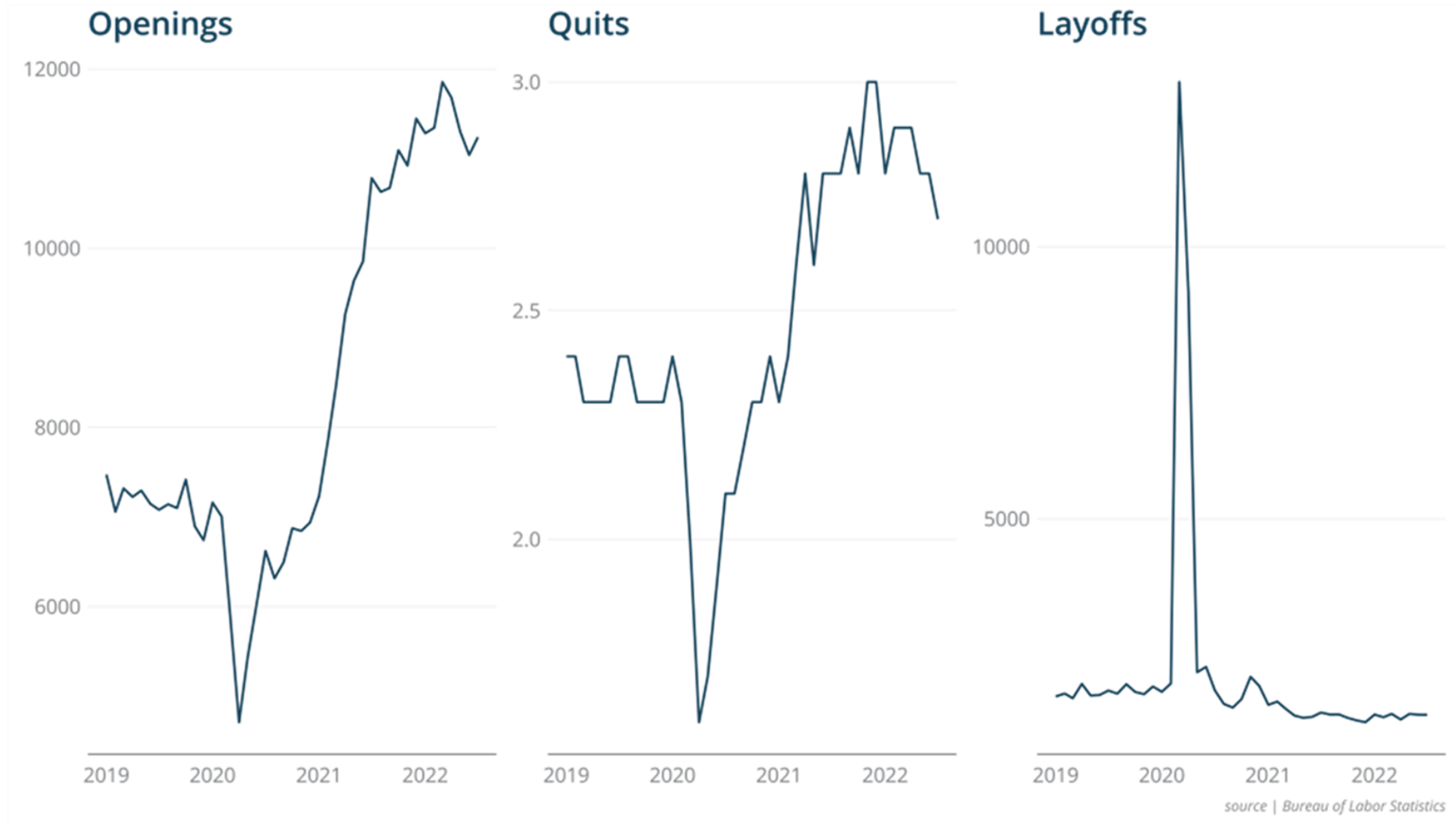
Unemployment | LFP | **Job Openings** | Wages

Labor Market Breakdown

Recruitment Marketing

Key Takeaways

Labor market movements + the "Great Resignation"



Overview

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Unemployment | LFP | Job Openings | **Wages**

Labor Market Breakdown

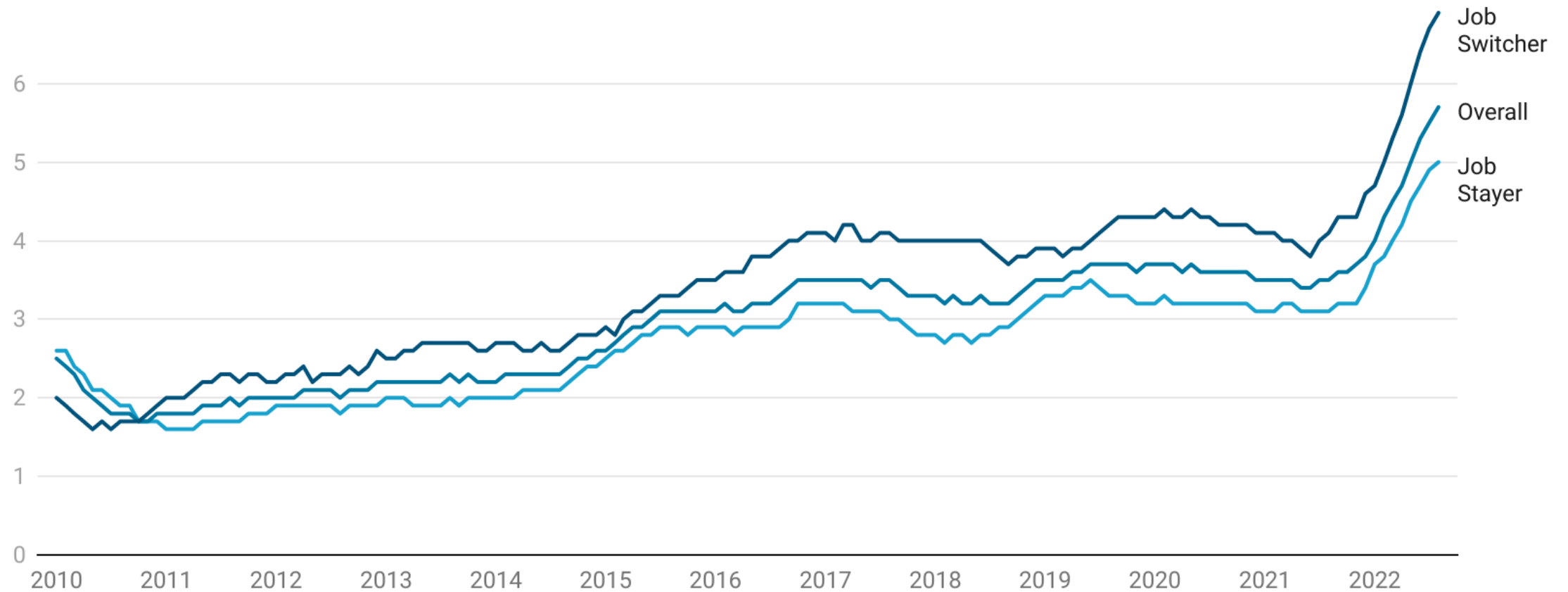
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Key Takeaways

With high openings and quits, job switchers are receiving the most benefit

Wage Growth Tracker by Job Switcher/Stayer

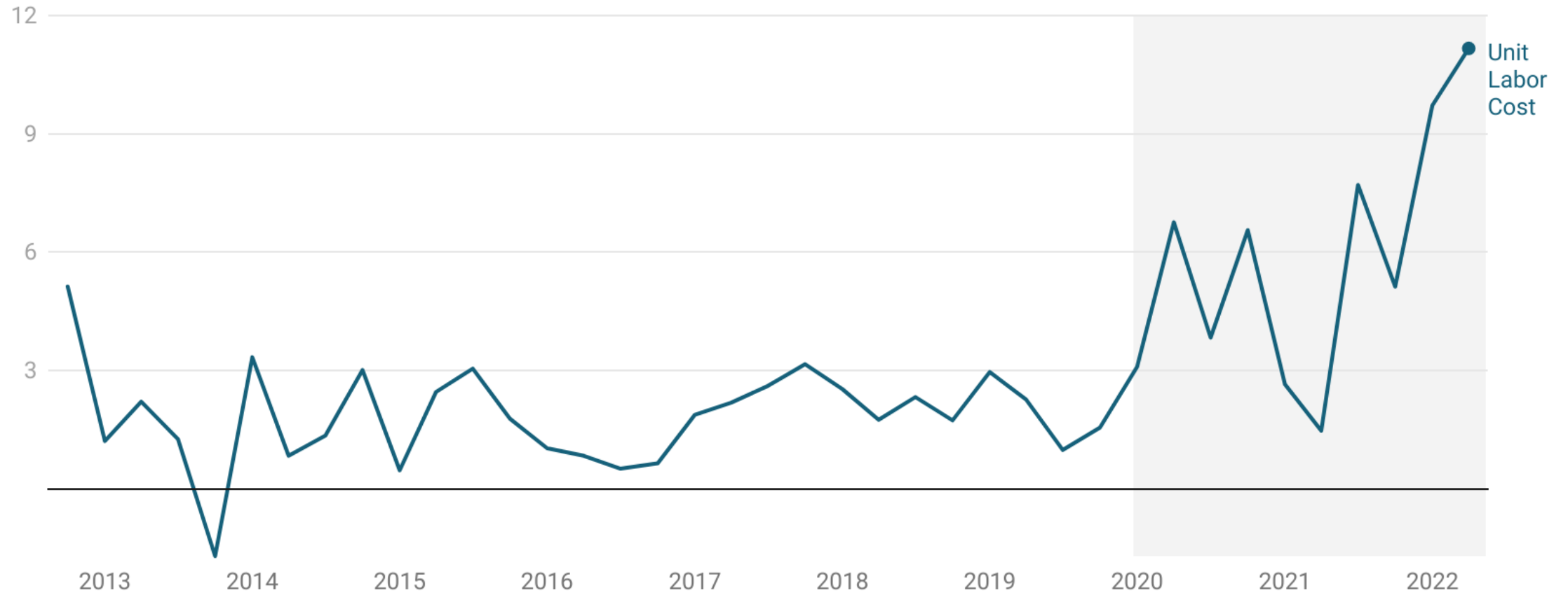
12-month moving average of median wage growth



Cost of labor is on the rise as inflation continues to climb

US Unit Labor Costs

annual percent change



Inflation has outpaced the growth of wages pulling them down in real terms

Real Wages Falling with Inflation

median weekly real earnings for full time employed workers



source | Bureau of Labor Statistics

Overview

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Labor Market Breakdown

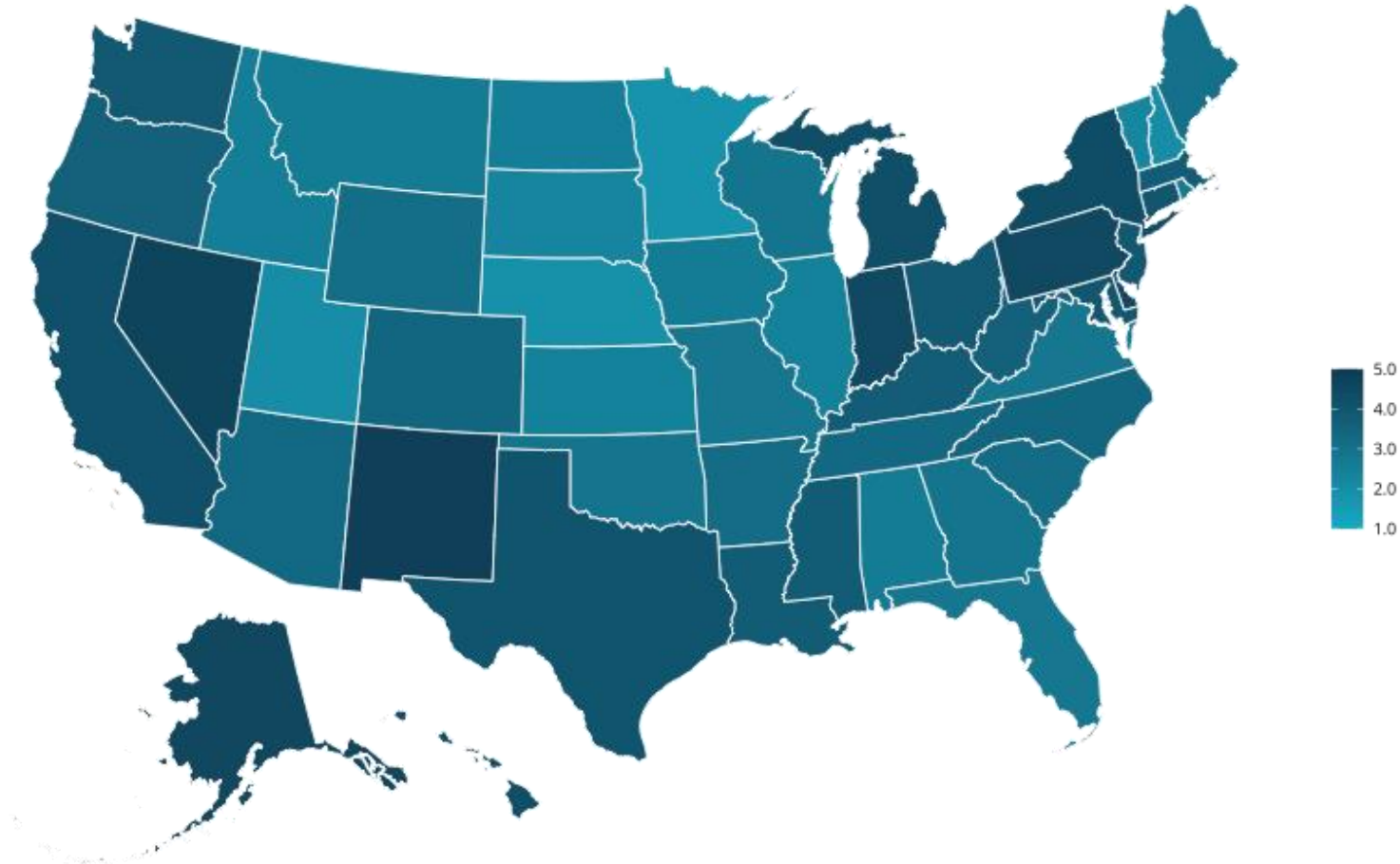
Regional | Industry | WFH

Recruitment Marketing

Key Takeaways

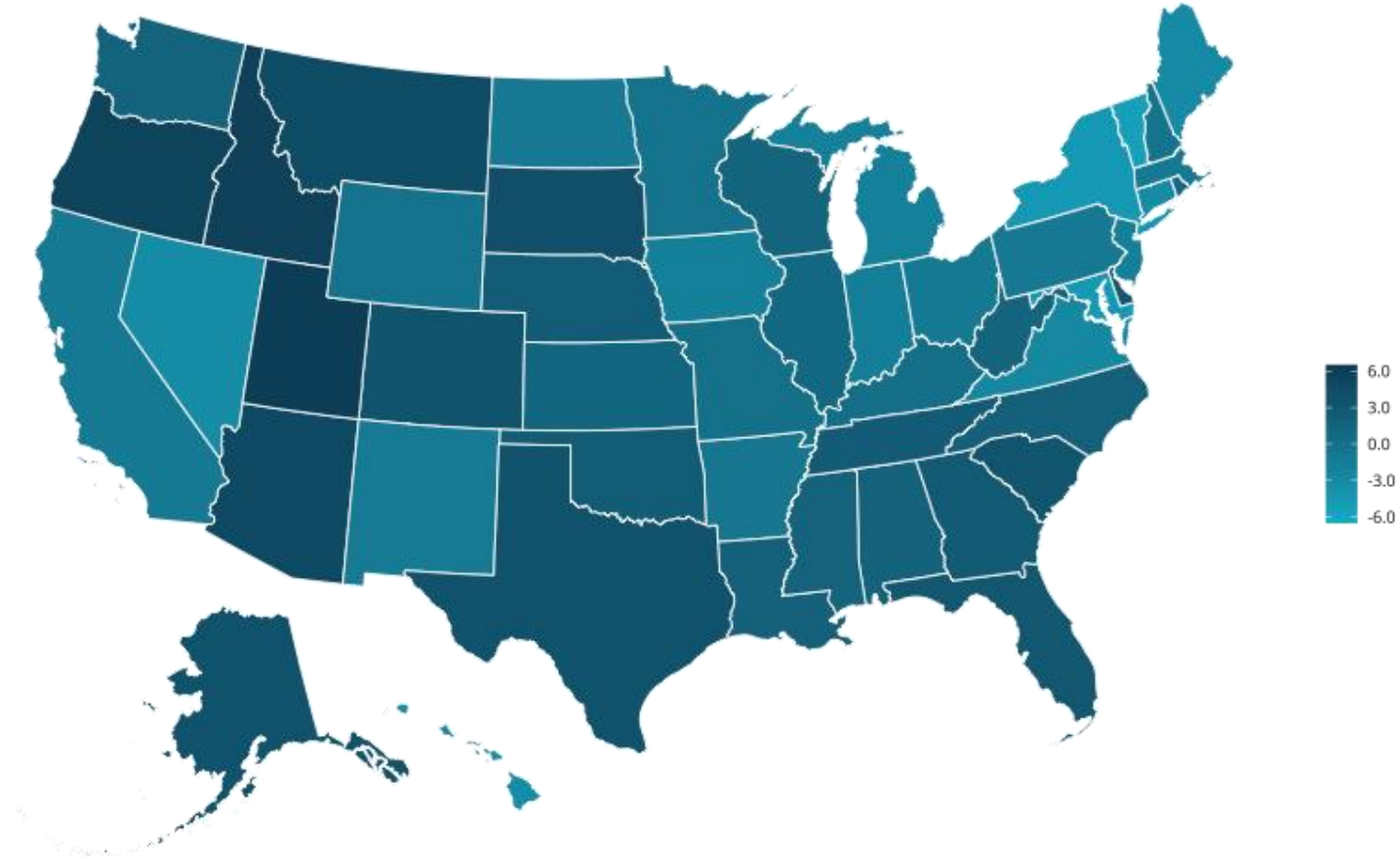
Low unemployment rates seem relatively consistent across a majority of states...

Unemployment Rate by State
Jun'22



However, the bounce back from pre-pandemic levels is varied

Employment by State
percent change from Feb'20 to Jun'22



source | Bureau of Labor Statistics

Overview

Economic Overview

Labor Market

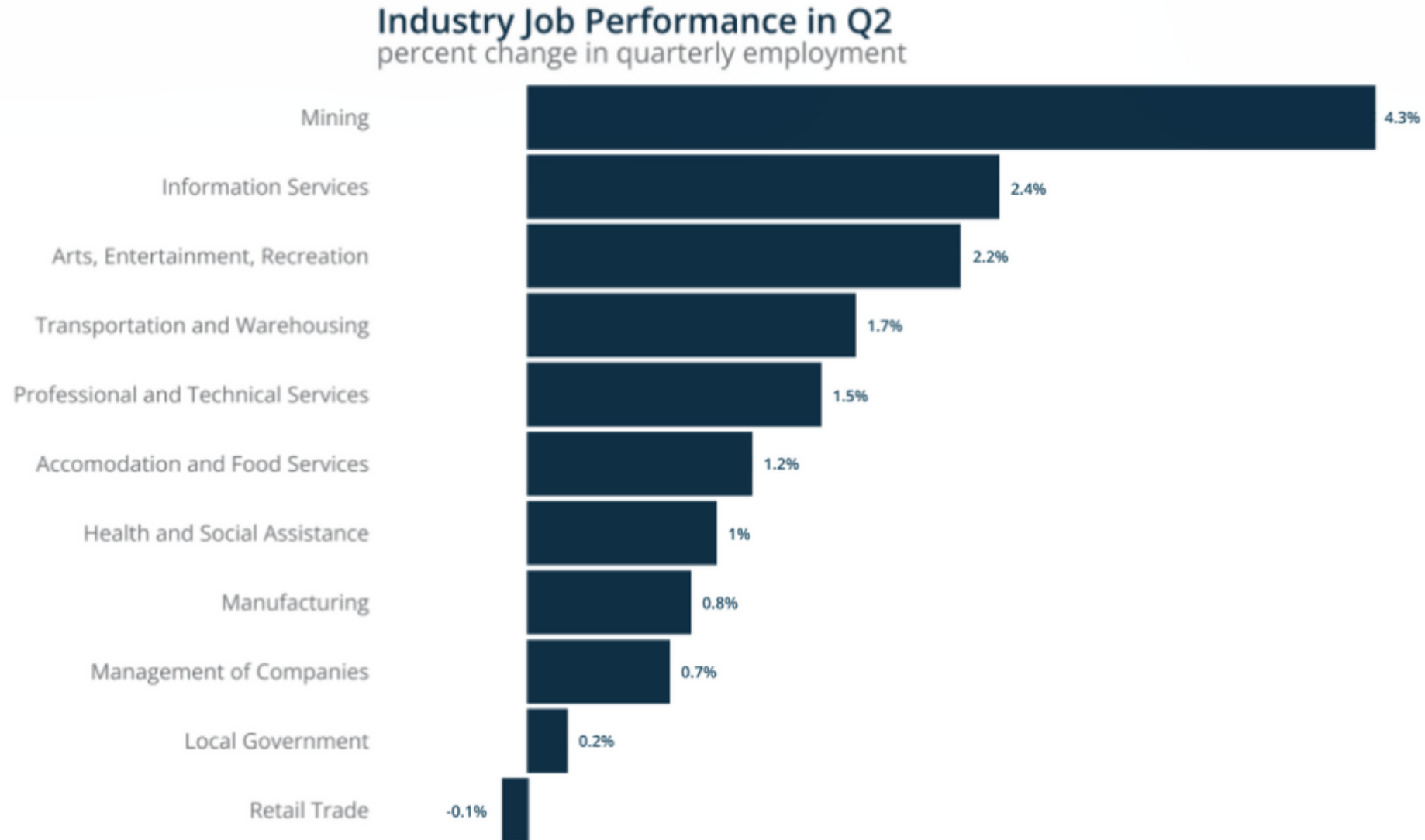
Labor Market Breakdown

Regional | **Industry** | WFH

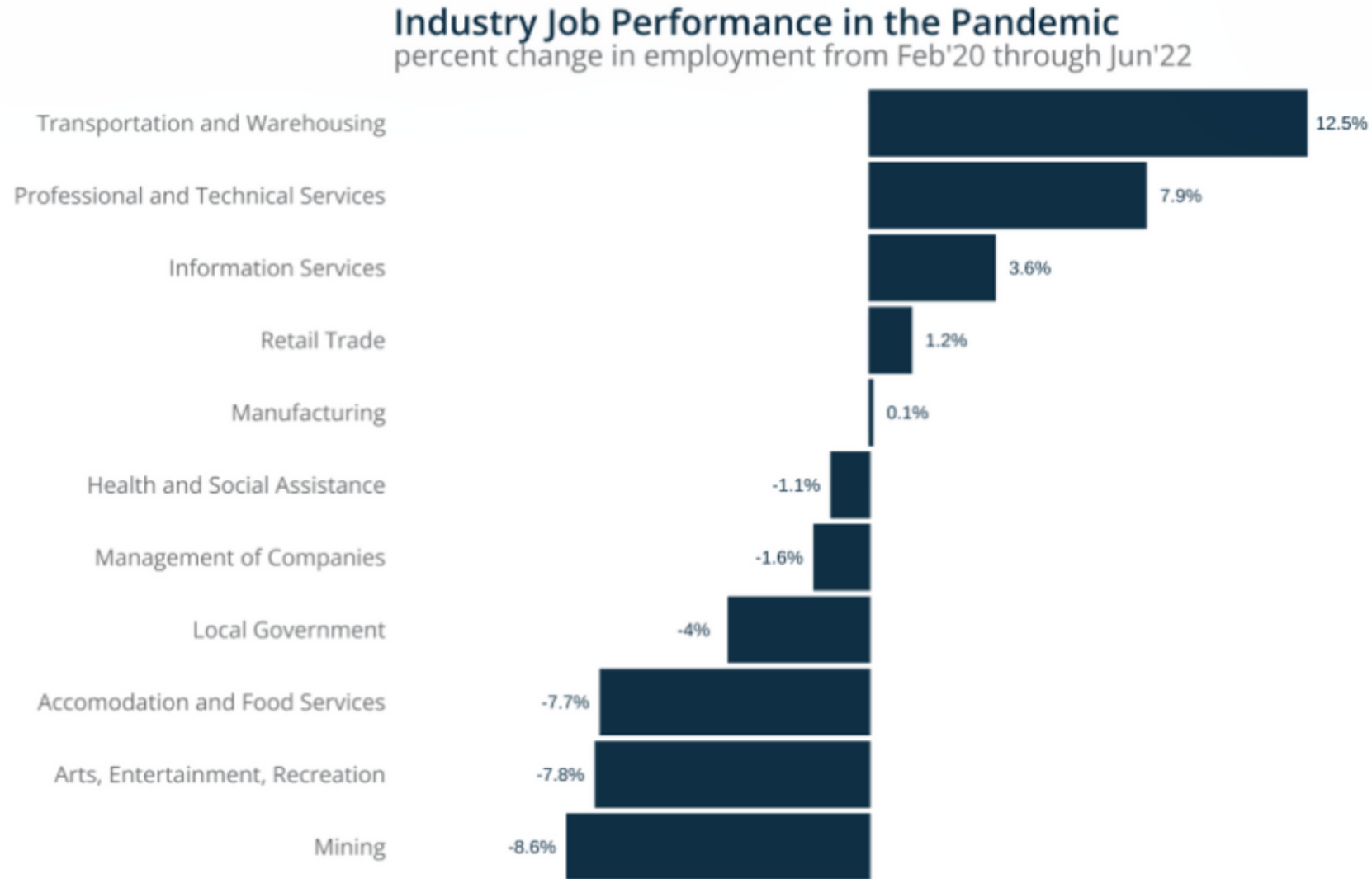
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Key Takeaways

Most sectors across the economy posted positive gains...



However, comparing to pre-pandemic levels the sector experience is mixed



Overview

Economic Overview

Labor Market

Labor Market Breakdown

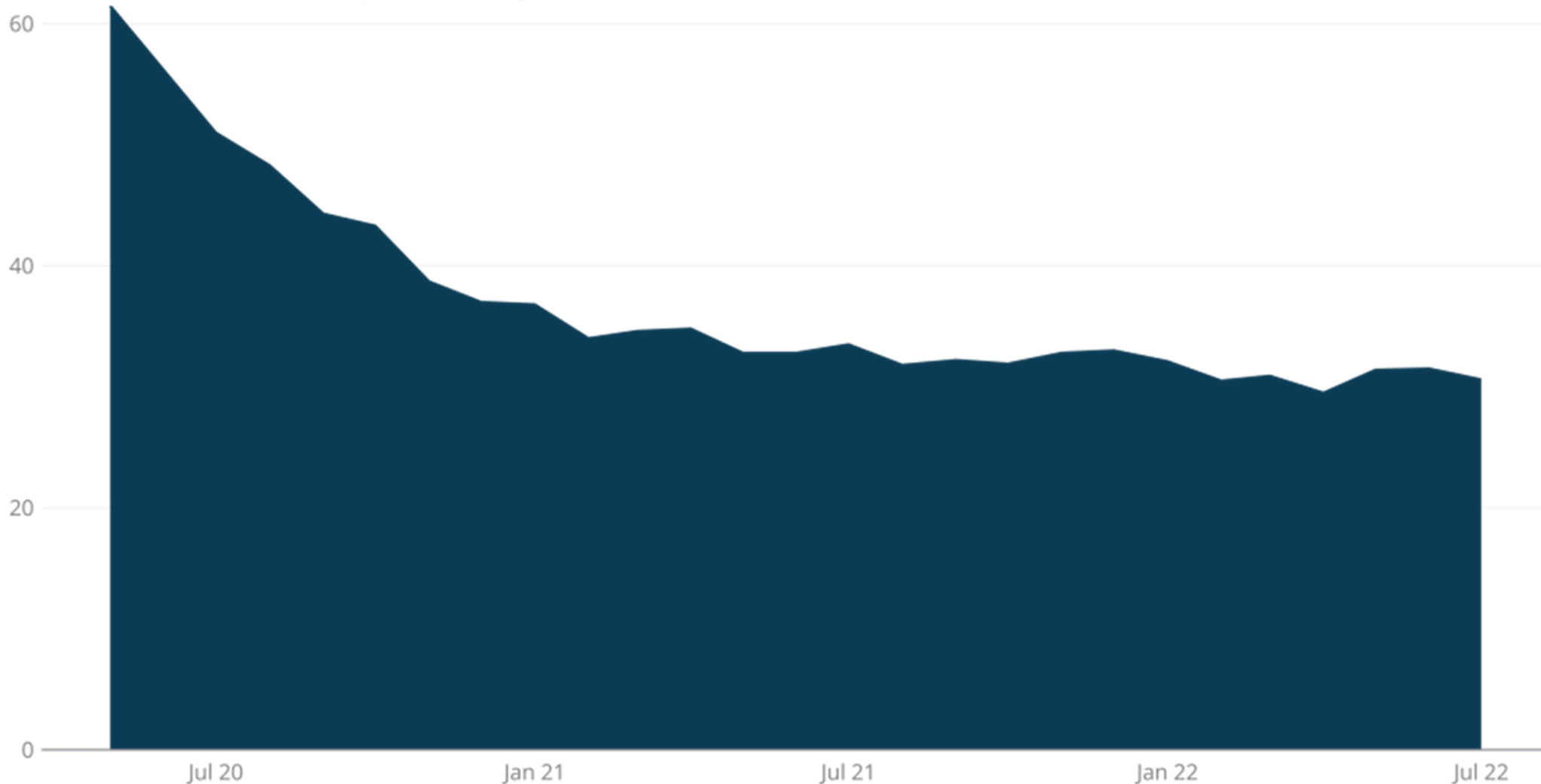
Regional | Industry | **WFH**

Recruitment Marketing

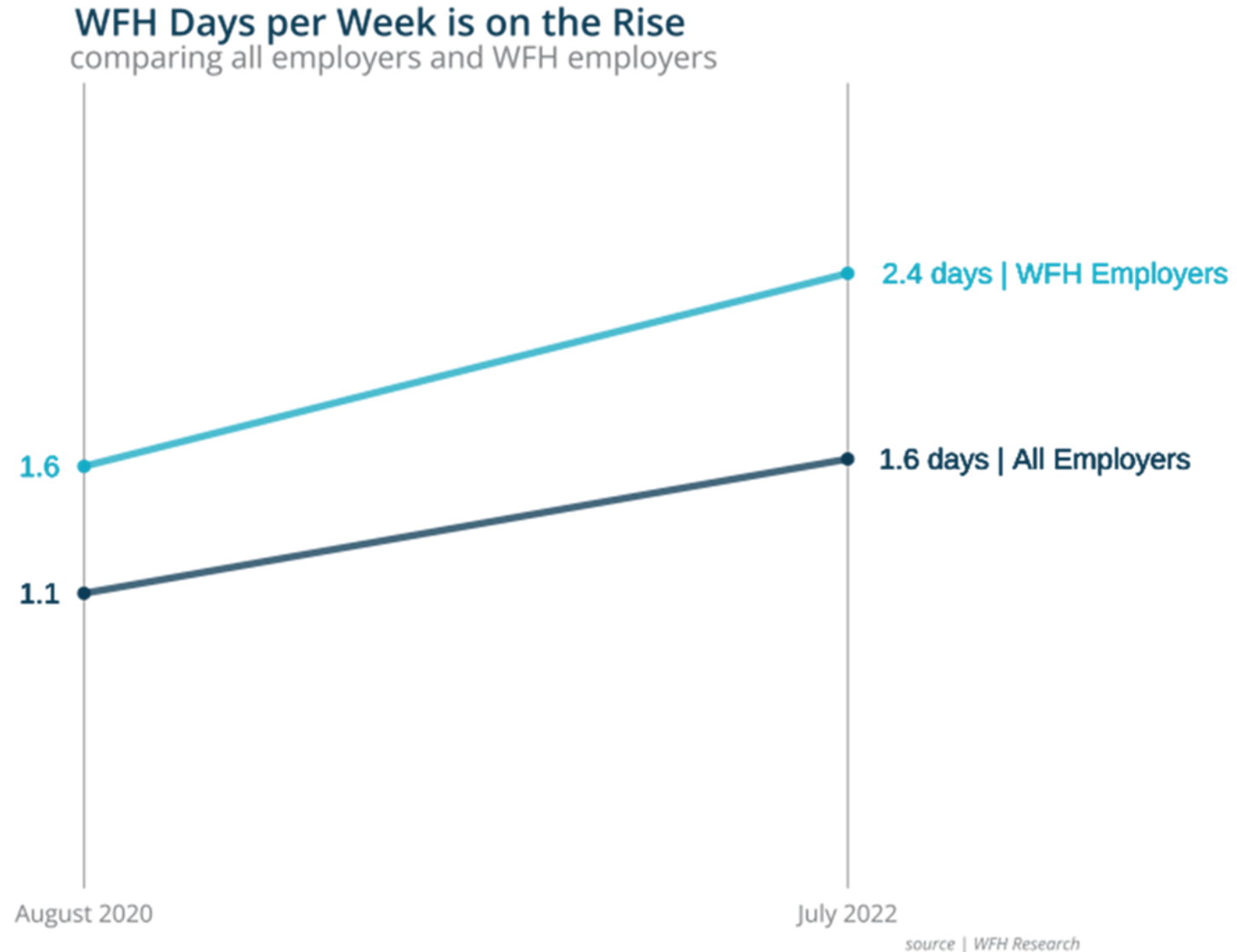
Key Takeaways

Work from home time falling as we settle into new normal above pre-pandemic levels

Work from Home Time has Fallen
percent of worker time spent working from home



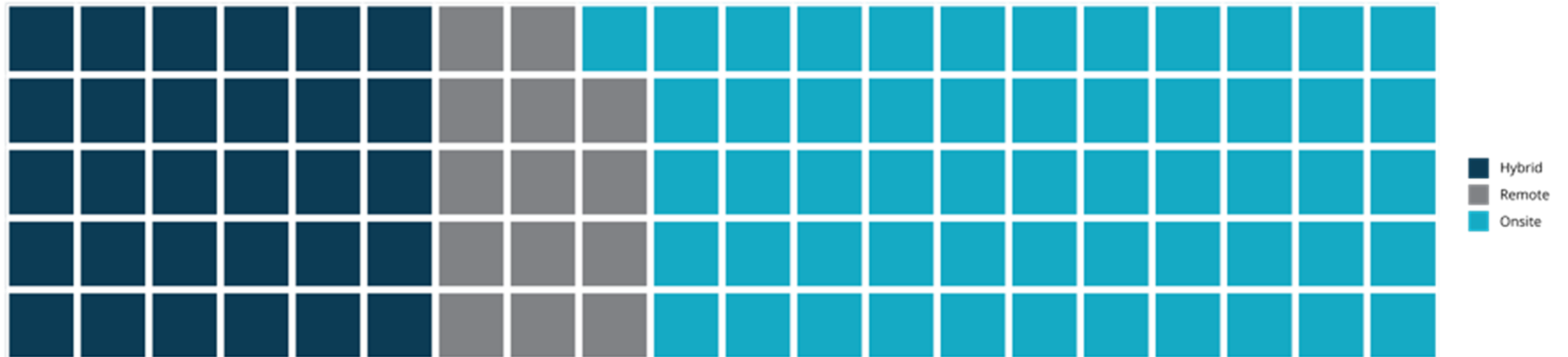
Average business plans for employees to increase WFH



Majority of workers are still working from the office

Majority of Workers Still Onsite

percent of workers fully remote, hybrid, and onsite | rounded



source | WFH Research

Overview

Economic Overview

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Labor Market Breakdown

Recruitment Marketing

About PandoLogic | Key Metrics Overview |
Recruitment Marketing Trends

Key Takeaways



- PandoLogic is the leading **recruitment marketing and conversational AI platform** in North America. Serving the world's most recognizable brands, PandoLogic utilizes advanced AI technology to transform the future of recruiting.
- PandoLogic's flagship product, pandolQ, is an AI-enabled talent acquisition platform that empowers employers to **reach the right candidates on the right sites for the right price.**
- Making more than 7,000 micro-decisions per minute, pandolQ **automates and optimizes** the complexities of job placements at **scale and precision** levels previously unattainable.



Overview

Economic Overview

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Industry Breakdown

Recruitment Marketing

About PandoLogic | **Key Metrics Overview** |
Recruitment Marketing Trends

Key Takeaways

Key Recruitment Metrics

Cost per Applicant

- $CPA = \text{Spend} / \text{Applicant Volume}$

Cost per Click

- $CPC = \text{Spend} / \text{Click Volume}$

Conversion Rate

- $CVR = \text{Applicant Volume} / \text{Click Volume}$

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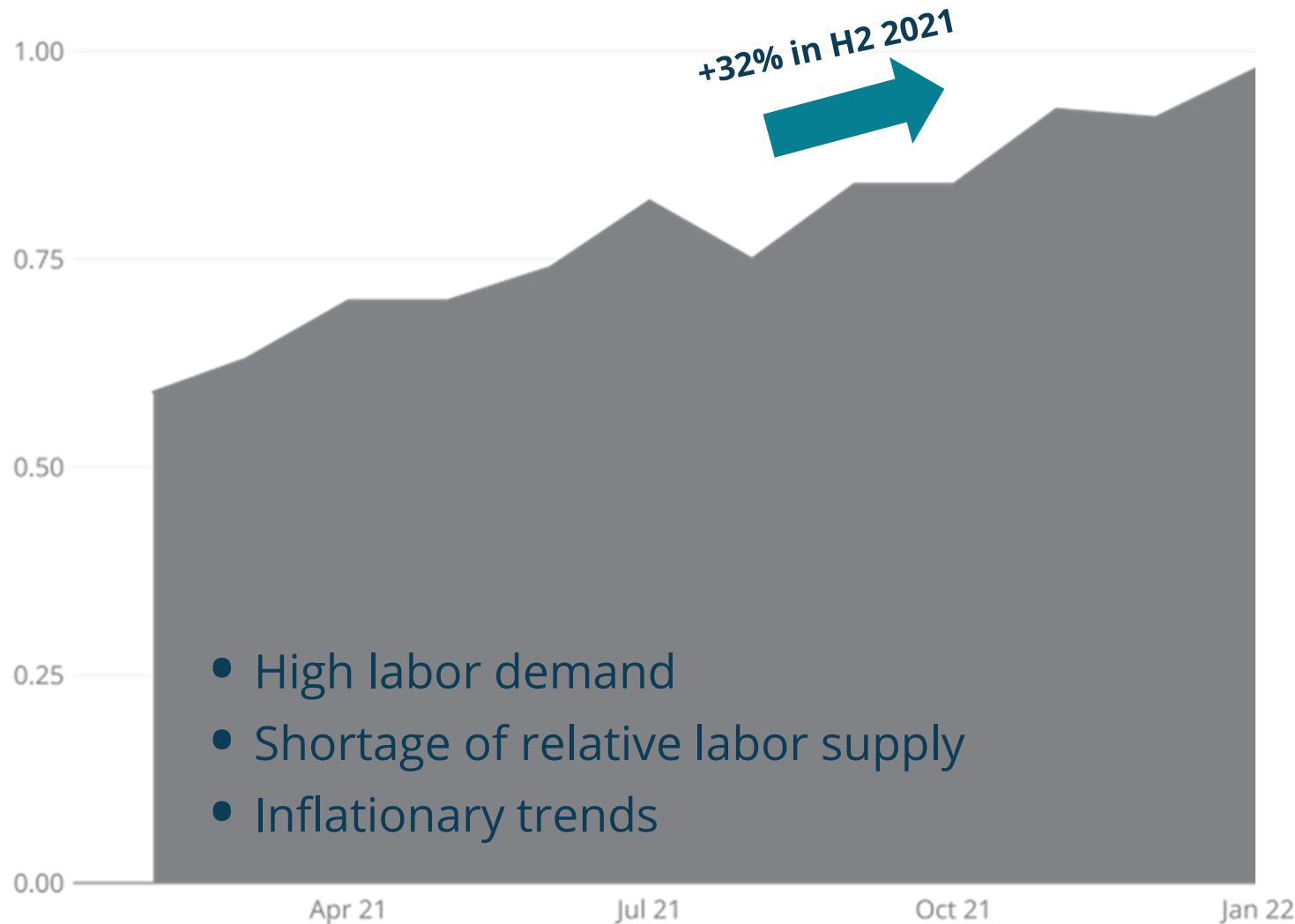
About PandoLogic | Key Metrics Overview |

Recruitment Marketing Trends

Key Takeaways

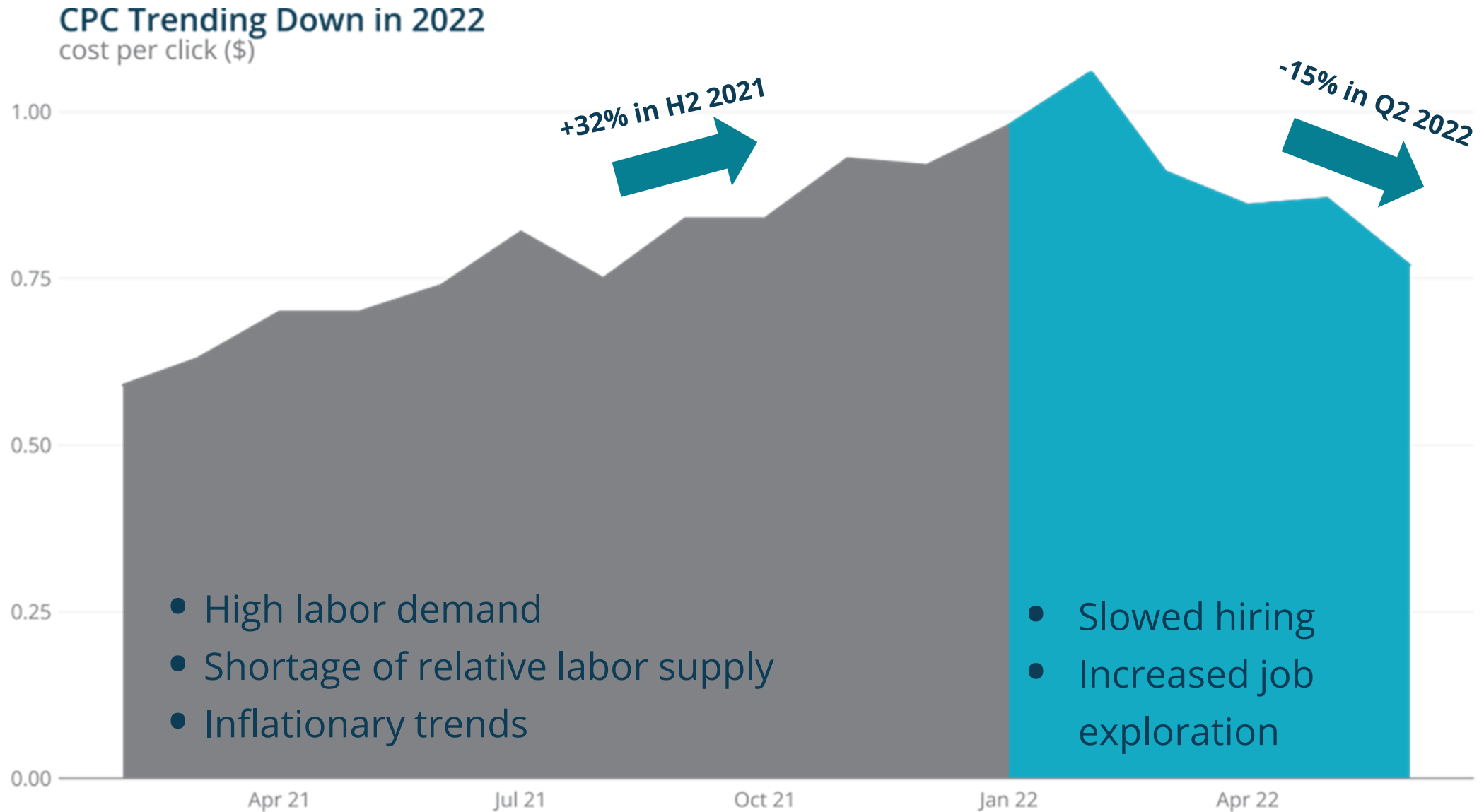
Tight labor market in 2021 led to rising CPC rates

CPC Trending Down in 2022
cost per click (\$)



- High labor demand
- Shortage of relative labor supply
- Inflationary trends

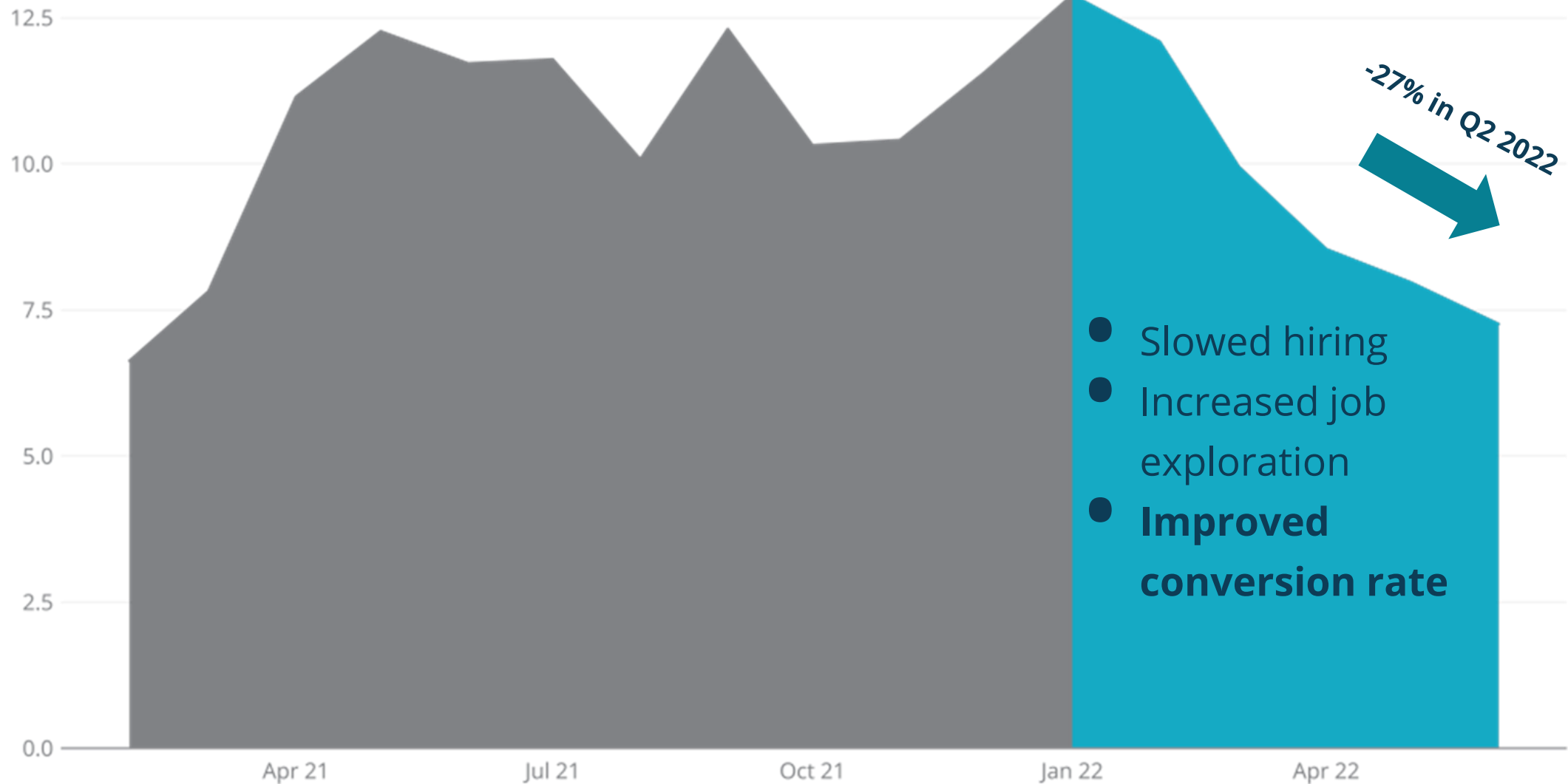
However, slowed hiring goals and more job exploration resulted in lower CPC in 2022



Smaller yet efficient hiring campaigns lowered CPA in Q2

CPA Softening in 2022

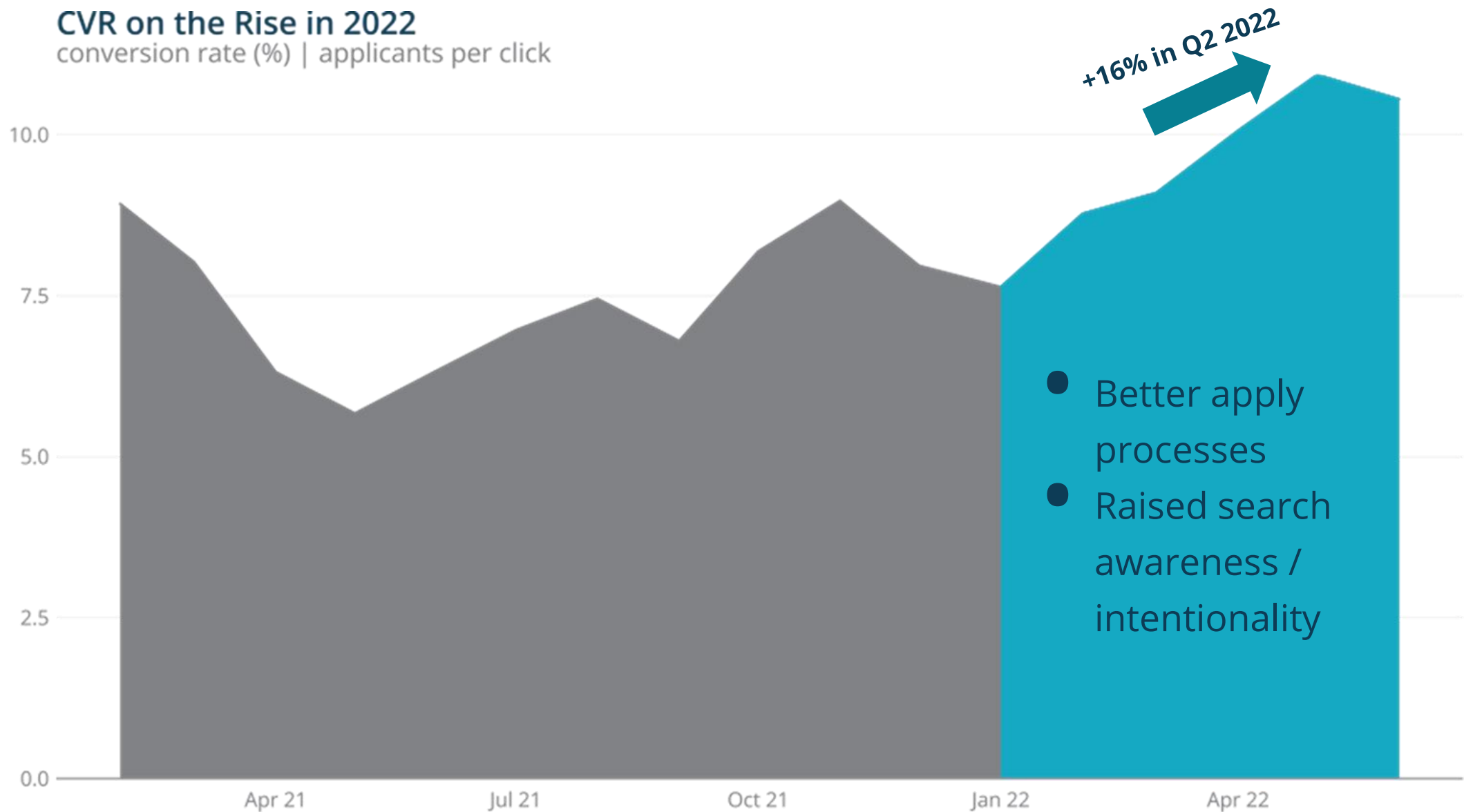
cost per applicant (\$)



Eased workflows and search awareness increased CVR

CVR on the Rise in 2022

conversion rate (%) | applicants per click



- Better apply processes
- Raised search awareness / intentionality

Overview

Economic Overview

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Labor Market Breakdown

Recruitment Marketing

Key Takeaways

Key Takeaways



1

At the macro level, inflationary pressure is the variable to watch, with the Fed committed to bringing that number back in line to pre-recession trends

2

Unemployment remains near lows as the labor force continues to recover, however, policy moves will likely put pressure on the labor market

3

Most states are seeing historically low unemployment – but participation and employment levels have not fully returned to pre-pandemic levels

4

Data show strong growth in logistics and increasing permanence of work-from-home strategies, indicating a structural shift in how the economy functions

5

Candidates are exploring the market, resulting in higher costs for clicks and applies. That being said, the intentionality and awareness in the exploration is resulting in stronger click to apply rates year to date.

6

With competition squeezes and a persistent demand, employers have adjusted by slowing hiring goals, and invested in sources that have optimized and improved workflows.

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CPA LEVEL IN JUNE 2022

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While the competitive hiring landscape has squeezed the budgets for recruiters and HR professionals since the pandemic, the 2022 CPA rates are a bright spot of good news, specifically in the second quarter.



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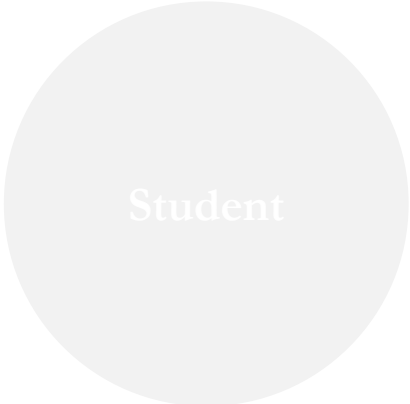
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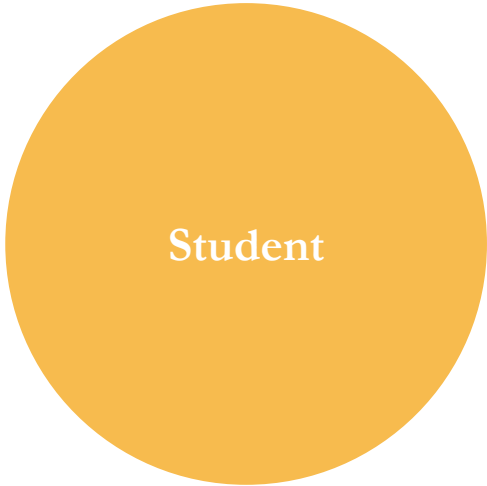


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Student

St. Norbert
College

Partner

Region





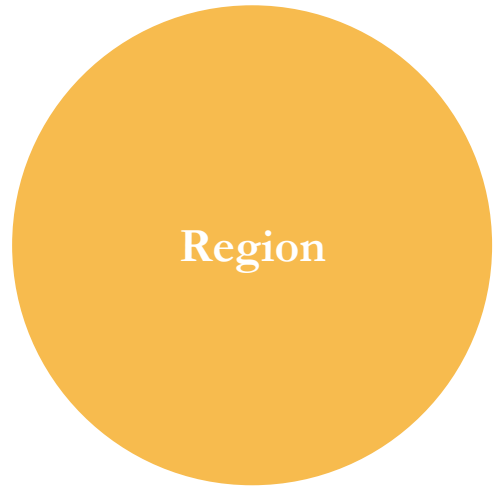
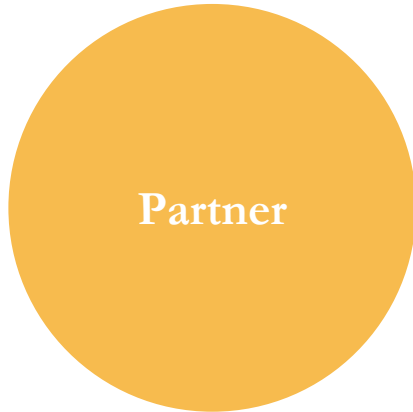
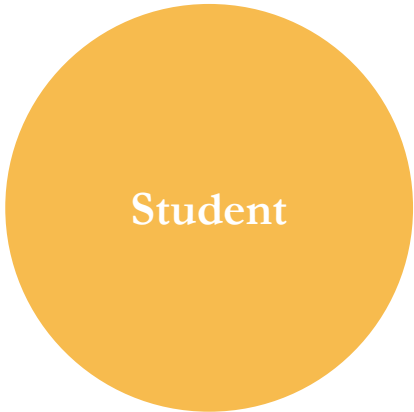
Student

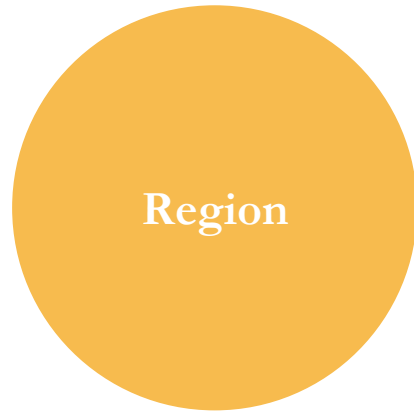
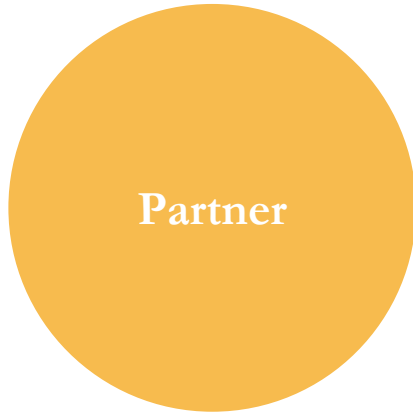
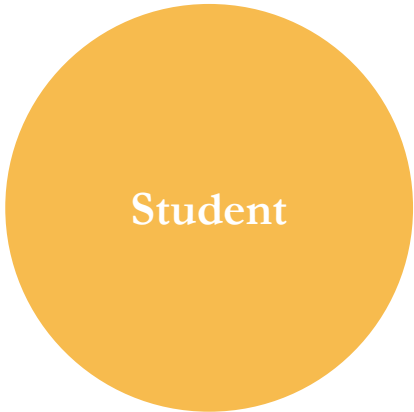
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Opportunity





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The Numbers



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35 Number of completed projects

45 Number of presentations given

30 Number of media engagements

52 Student fellows over eight academic years

CBEA Research Analyst Fellows



Lydia Brosig



Helen Bui



Greta Gaworek



Thomas Gatesman



Evan Glaser



Casey Jepson



Abigail Krueger



Devon Linssen



Michael Schneider



Sydney Spaeth



Sarah Swan



David Vandenberg

What We Do

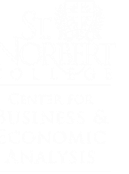
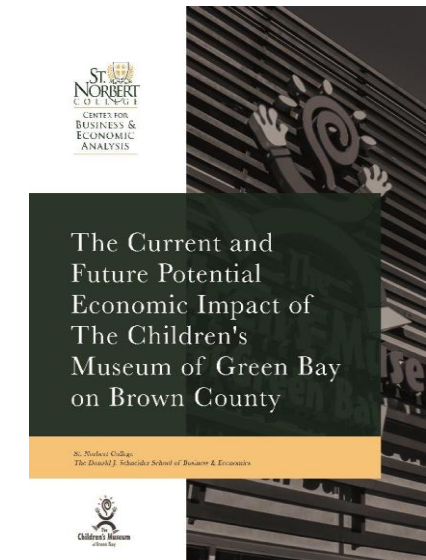
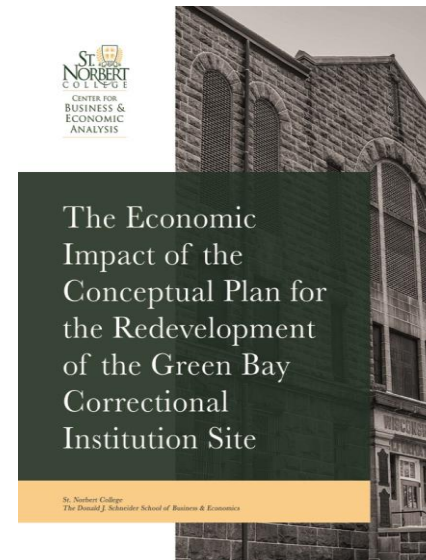
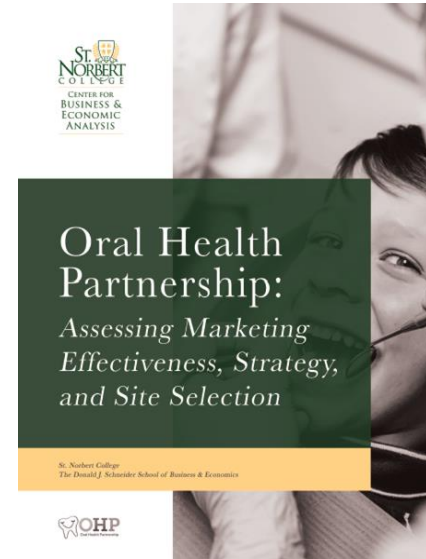
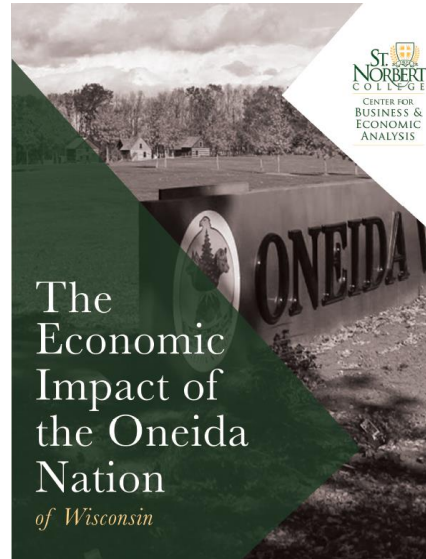


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Selected Presentations (AY21-22)

- On Site Company & Organization Presentations
 - Constellation Energy Group
 - Amerhart
 - Leadership Green Bay | Greater Green Bay Chamber
 - Green Bay & Allouez Optimist Clubs
 - Estate Planning Council NE WI
- Regional Presentations
 - Wisconsin DOR, DOT + New North (multiple)
 - New North | Board of Directors
 - InDevelopment Conference | Insight Magazine
 - Brown County | Brown County Supervisor
- Signature Presentations
 - CBEA State of the Economy
 - CBEA + Pandologic Labor Market Insights

What We Do



What We Do

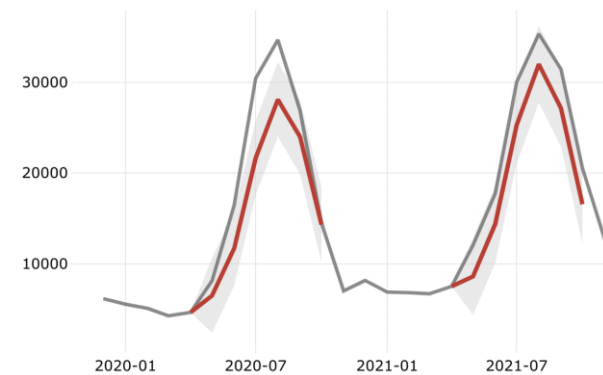
2021 IAA INDUSTRY REPORT



4.4 Forecast Performance

Testing the forecast for bucket products specifically see a similar comparison as above. In 2020, the forecast underestimates the summer peak again, but in 2021 the forecast gives a much more accurate prediction while still being conservative in nature.

Intellect Wave Buckets Forecast Comparison



It, used in
ly in 2021.
\$ in Q2,
ad risen more
ithium, the
entially in
m hydroxide
Record-
mismatch
ions in
affects
t \$39,250 per

Cobalt	90%
Lithium Carbonate	413%
Lithium Hydroxide	254%



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What We Do



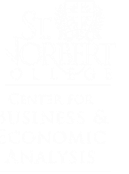
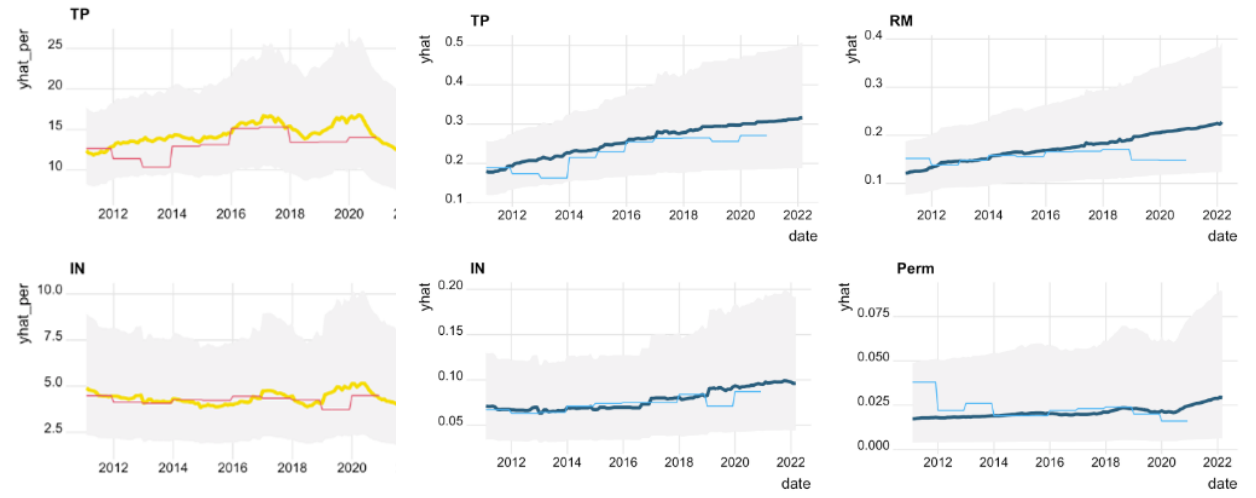
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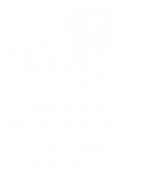
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The Numbers



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3rd year of data analytics program

1st data analytics major will graduate in May '23

25 Current number of students declaring data analytics major

10 Active faculty members across four disciplines teaching major requirements

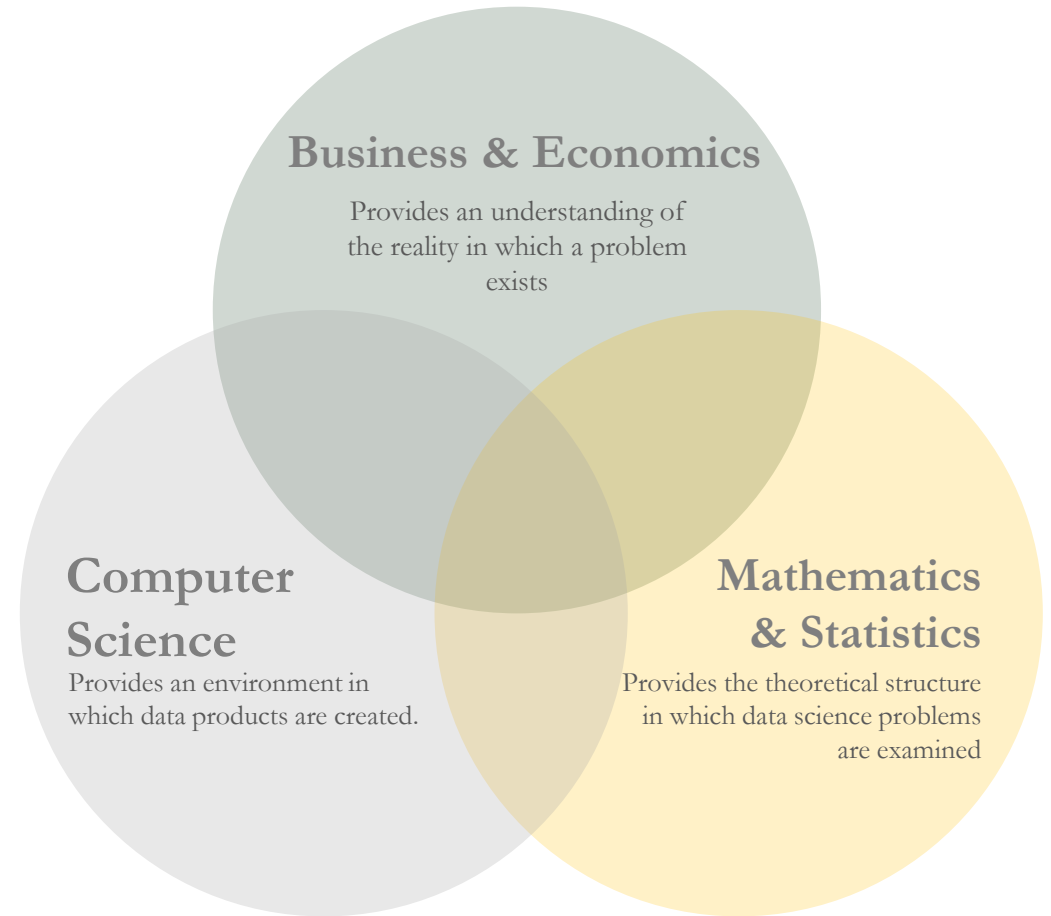


Data Analytics

An Interdisciplinary
Approach



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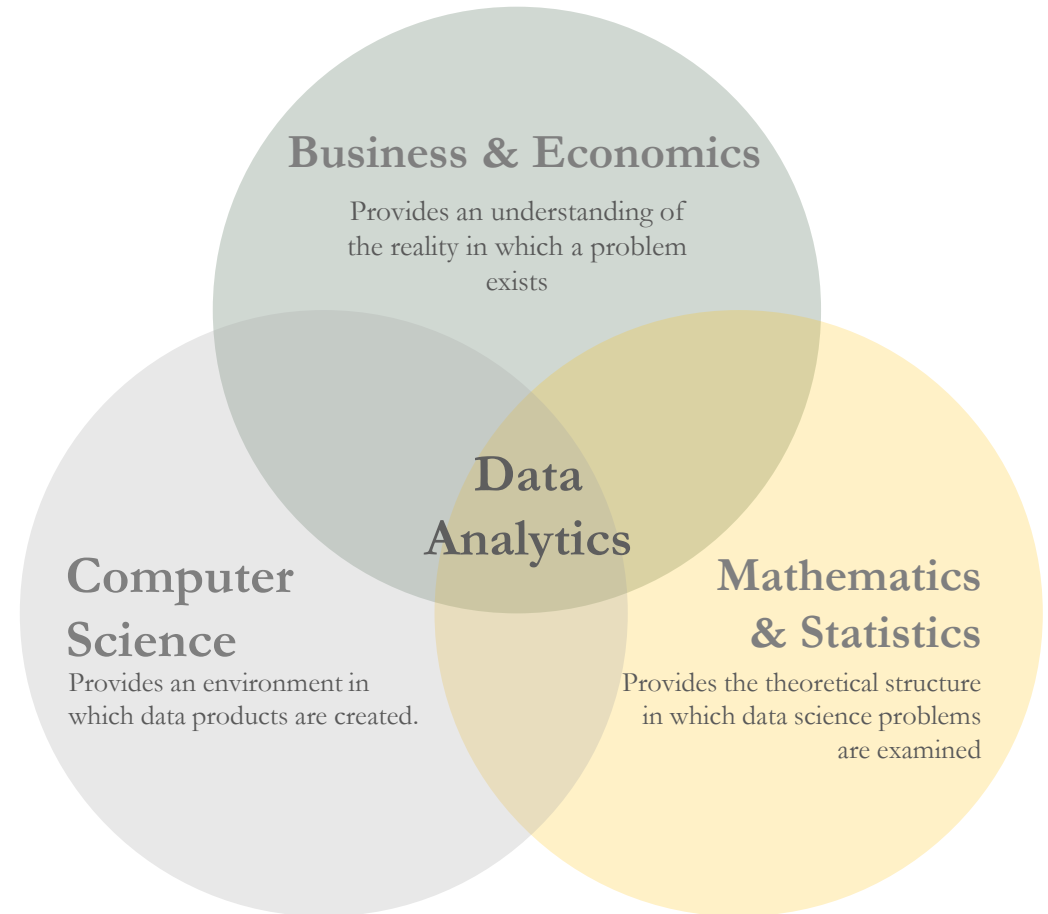


Data Analytics

An Interdisciplinary
Approach



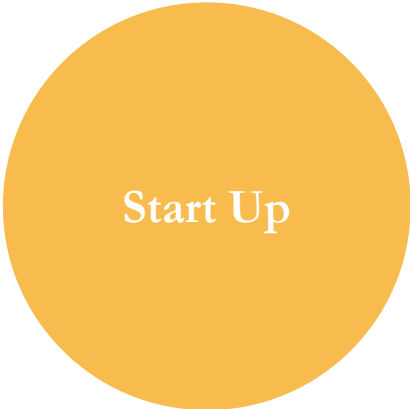
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ANALYTICS



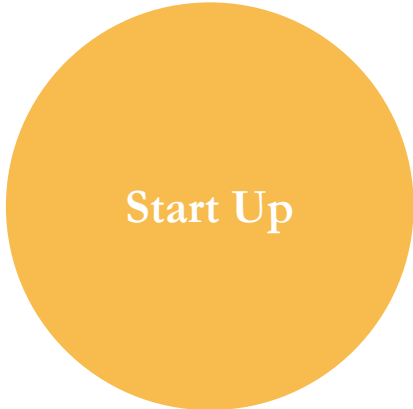
Vision for the **Future**



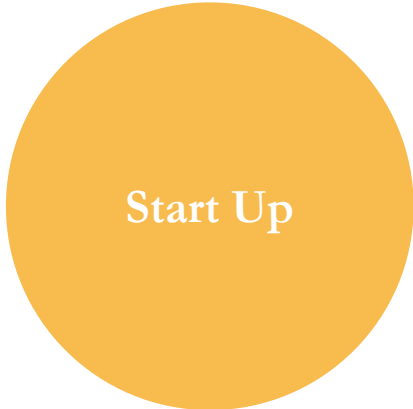
Vision for the **Future**



Vision for the Future



Vision for the **Future**



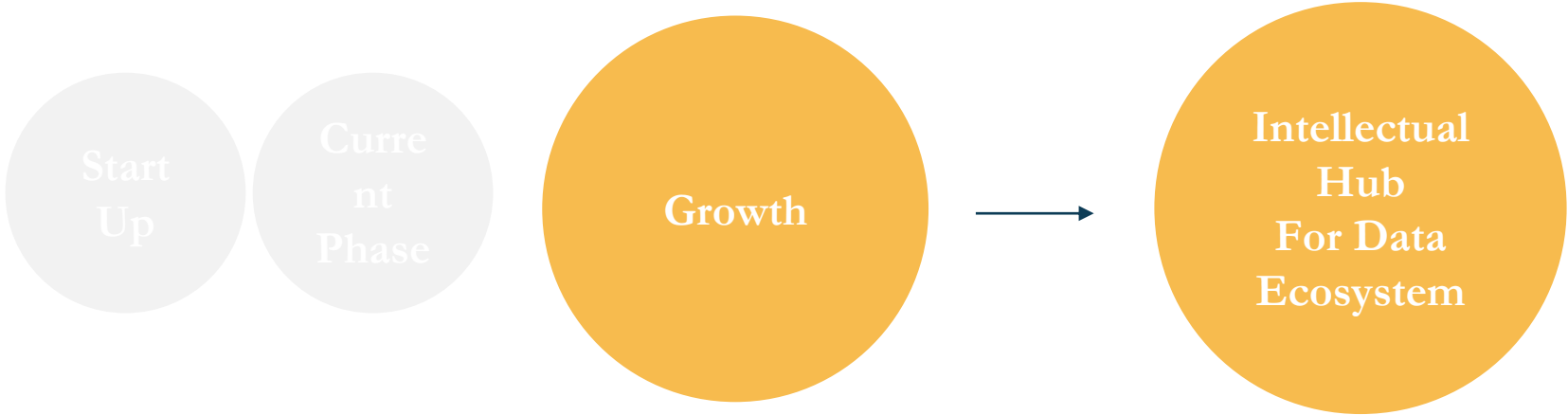


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MAJOR
IN
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ANALYTICS

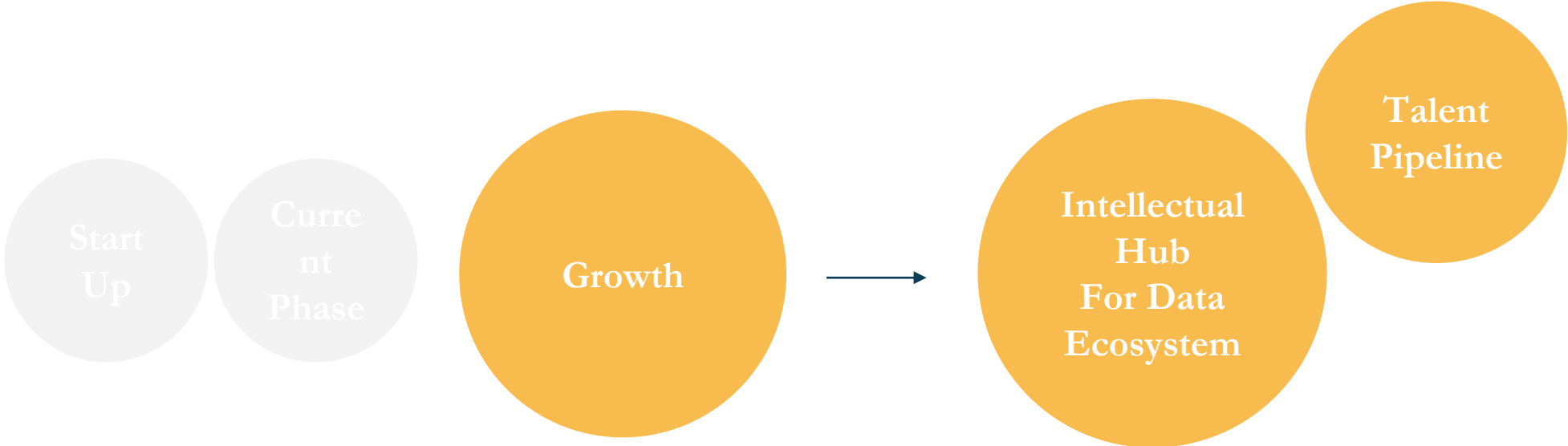
PARTNERS

Vision for the **Future**



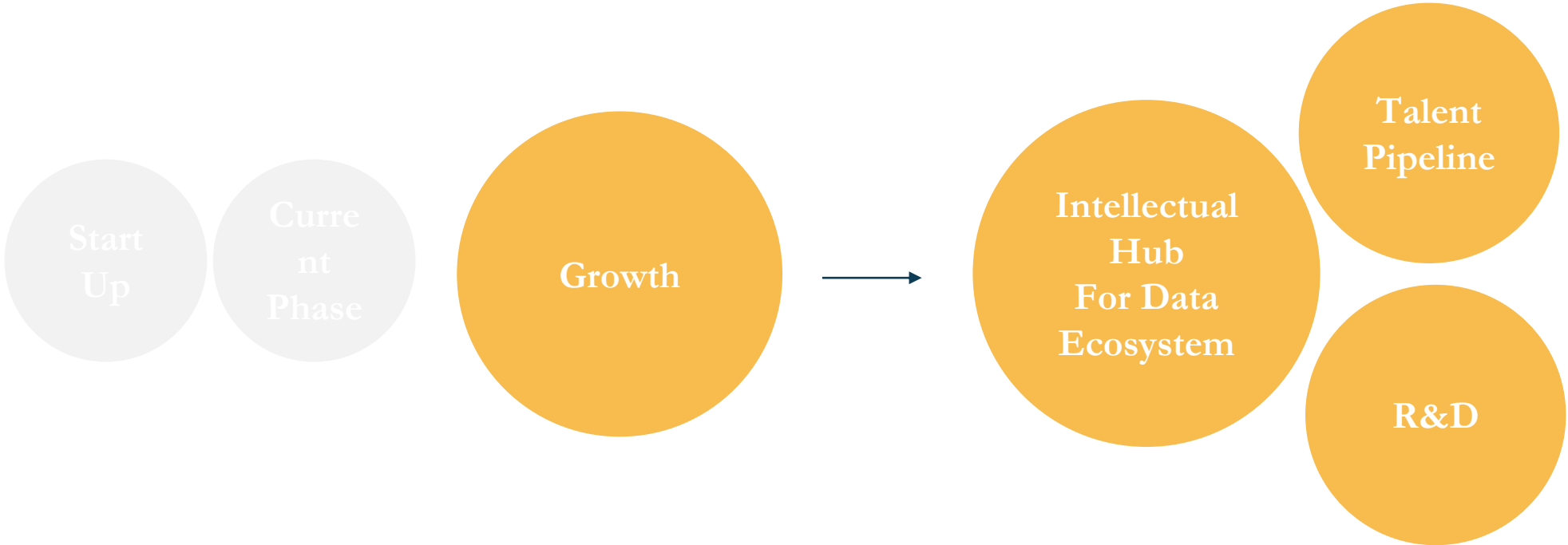
Future (**Potential**) Initiatives

Vision for the Future



Future (Potential) Initiatives

Vision for the Future



Future (Potential) Initiatives

Engaging &
Collaborating
for **Collective**
Vision



Engaging &
Collaborating
for **Collective**
Vision



Project
Partnerships

Engaging &
Collaborating
for **Collective**
Vision

Project
Partnerships

Course
Involvement

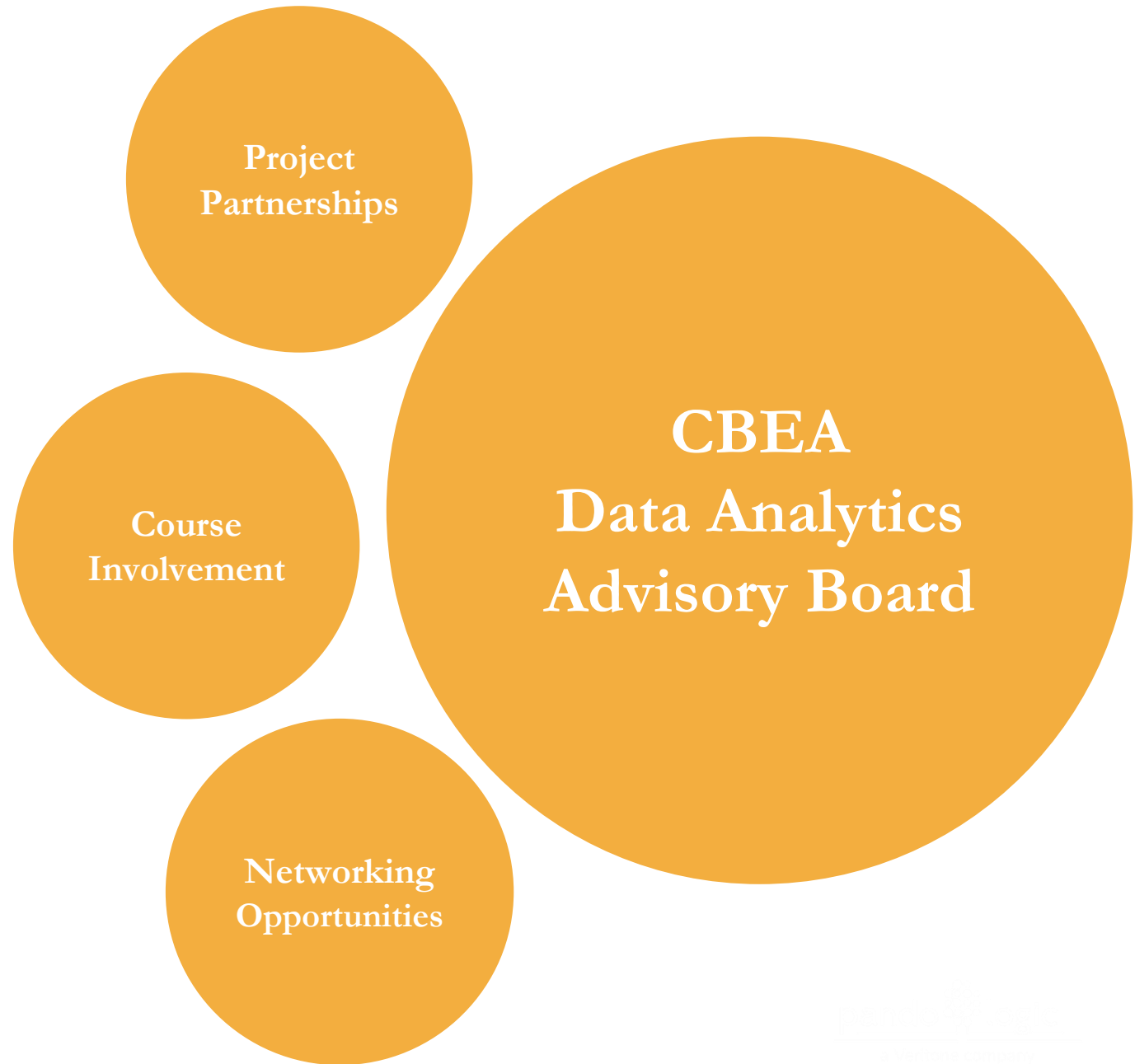
Engaging &
Collaborating
for **Collective**
Vision

Project
Partnerships

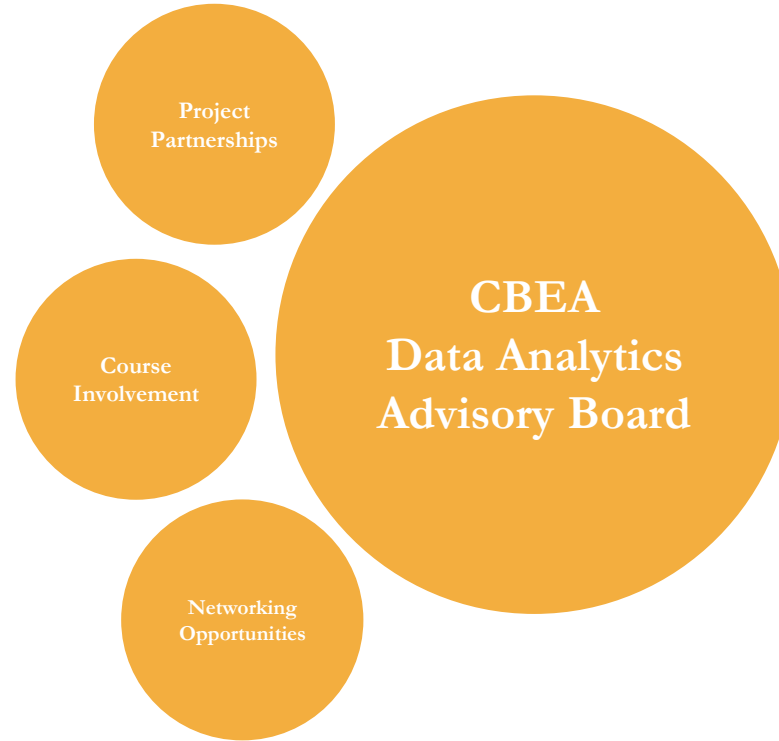
Course
Involvement

Networking
Opportunities

Engaging &
Collaborating
for **Collective**
Vision



Engaging &
Collaborating
for **Collective**
Vision



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Next Steps...

