

Michigan Online Job Demand Analysis

December 2011

December Highlights

- ✓ In December, there were over 118,300 job vacancies advertised online in Michigan, up more than 12,400 from November. Since 2010, online job advertisements have increased more than 25 percent.
- ✓ For each online job advertisement, there were 4.3 unemployed Michiganders. This has steadily improved since 2009, when there were 10 unemployed persons for every job posting.
- ✓ Between December 2010 and December 2011, online job advertisements were higher for virtually every occupational category, with notable gains in *Professional, Construction and Production*.

State and National OnLine Job Demand Details

Seasonally Adjusted

- Michigan's seasonally adjusted online advertised job vacancies measured 118,329 in December, according to *The Conference Board's Help Wanted OnLine®* (HWOL) Data Series. Over the month, postings surged by 12,439, an increase of 11.8 percent. This increase is partly due to improved economic conditions and various job boards growing in size and in penetration. (Figures 1 & 2)
- The December upturn ended a soft second half for 2011. What had started as a promising year turned downward as job demand weakened by 14 percent before the December recovery. The labor demand gain in December resulted in an average monthly gain for 2011 of nearly 2,000.

Figure 1: Labor Supply v. Labor Demand (Michigan)

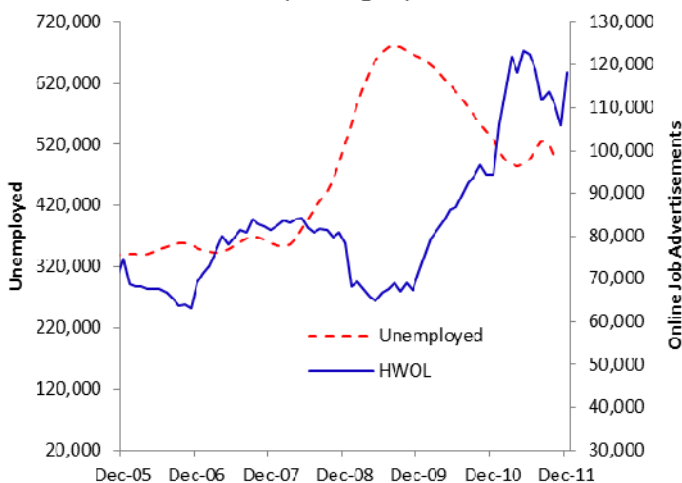
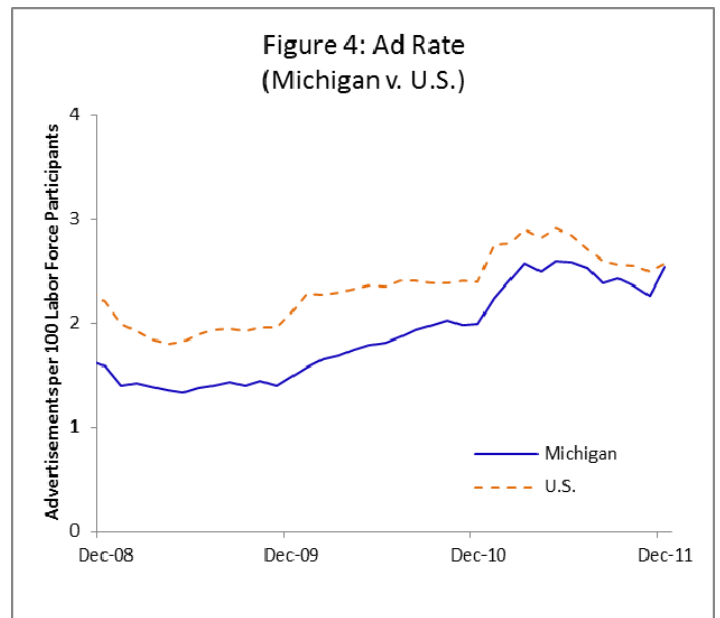
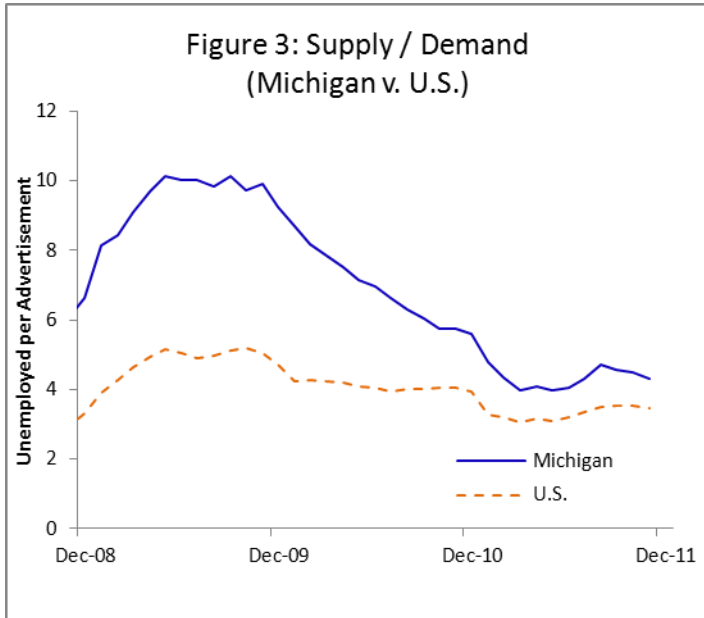


Figure 2: Employment v. Labor Demand (Michigan)



- Michigan Supply / Demand rate fell last month to 4.31, a 3.8 percent improvement over October and substantially below the 10.1 that was recorded in September of 2009 when Michigan had the worst rate in the nation. **(Figure 3)** In the last 28 months, Michigan has improved its national ranking to 38th and continues to narrow the gap with the national average.
- Between November and December, Michigan's Ad Rate improved from 2.26 to 2.54 postings per 100 labor force participants. After improving throughout the past year, Michigan's current Ad Rate is now virtually equal to the national average of 2.57 ads per 100 labor force participants. **(Figure 4)**



Note: Both the Ad Rate and the Supply/Demand Rate only provide a measure of relative tightness of the state's labor markets and does not suggest that the occupations of the unemployed directly align with the occupations of the advertised vacancies.

Michigan's OnLine Job Demand by Occupation

Not Seasonally Adjusted

- As expected, nine of the ten major occupational categories in Michigan reported seasonal decreases in December online job postings. The largest decline was in the *Professional* category, which contracted by nearly 2,500 vacancies. Other significant losses were seen in *Construction* and *Service* occupations, reflecting less building-related and tourism-related demand. (Table 1)
- For the second straight month, *Healthcare* was the only occupation group to see over-the-month gains. Job advertisements for *Healthcare* occupations included posts for registered nurses, medical assistants, nurse aides, physical therapists, and occupational therapists.
- Over the year, each major occupational category, with the exception of *Healthcare*, reported more online job postings, for a net gain of more than 21,400. The largest over-the-year increases were seen in *Professional; Administrative support; Sales; Construction and repair; and Transportation*. In addition, solid growth in job advertisements was seen in *Production* occupations, reflecting increased demand for workers by manufacturing and related establishments.

Table 1: Total Online Job Advertisements by Occupational Category¹

Occupation	Total Ads						
	December	November	December	Change /	% Change /	Change /	%Change /
	2011	2011	2010	Month	Month	Year	Year
Total	105,712	114,047	84,288	-8,335	-7.3%	21,424	25.4%
Professional	30,882	33,368	26,196	-2,486	-7.5%	4,686	17.9%
Sales	14,071	14,944	10,840	-873	-5.8%	3,231	29.8%
Administrative Support	12,357	13,681	8,348	-1,324	-9.7%	4,009	48.0%
Healthcare	14,232	13,920	14,320	312	2.2%	-88	-0.6%
Service	7,212	8,076	5,170	-864	-10.7%	2,042	39.5%
Management	8,272	8,622	7,420	-350	-4.1%	852	11.5%
Construction and Repair	6,766	7,794	4,353	-1,028	-13.2%	2,413	55.4%
Transportation	6,215	6,969	4,054	-754	-10.8%	2,161	53.3%
Production	5,594	6,520	3,508	-926	-14.2%	2,086	59.5%
Farming, Fishing, and Forestry	111	153	79	-42	-27.5%	32	40.5%

Source: Conference Board, Help Wanted Online (HWOL)
Not Seasonally Adjusted

¹ The number of total available ads is a combination of both new ads and ads from previous periods that have yet to be filled. While new ads may be a better reflection of the direction the job market is headed, total ads also include ads for occupations which are more difficult to fill.

- In Michigan, two out of every three online job postings was a New Ad. This is an important measure because it reflects current demand for workers and is a good indicator of the direction of the job market. (Tables 1 & 2)
- There were more than 66,000 newly advertised posts in December 2011. New Ads were seasonally lower in December, but were up over this time last year. Like total advertisements, growth in New Ads was seen in all but one occupational category (*Healthcare*).

Table 2: New Online Job Advertisements by Occupational Category

Occupation	New Ads						
	December	November	December	Change /	% Change /	Change /	%Change /
	2011	2011	2010	Month	Month	Year	Year
Total	66,261	74,038	49,339	-7,777	-10.5%	16,922	34.3%
Professional	18,015	19,712	14,857	-1,697	-8.6%	3,158	21.3%
Administrative Support	8,682	9,670	5,016	-988	-10.2%	3,666	73.1%
Sales	9,074	9,663	5,851	-589	-6.1%	3,223	55.1%
Healthcare	7,449	8,428	7,606	-979	-11.6%	-157	-2.1%
Service	5,699	6,592	3,810	-893	-13.5%	1,889	49.6%
Construction and Repair	4,932	5,946	3,234	-1,014	-17.1%	1,698	52.5%
Management	4,858	5,096	4,131	-238	-4.7%	727	17.6%
Transportation	4,026	4,614	2,543	-588	-12.7%	1,483	58.3%
Production	3,439	4,186	2,233	-747	-17.8%	1,206	54.0%
Farming, Fishing, and Forestry	87	131	58	-44	-33.6%	29	50.0%

Source: Conference Board, Help Wanted Online (HWOL)
Not Seasonally Adjusted

For additional information or other labor market analysis, please contact Jeffrey Anderson, Economic Analyst with the Michigan Department of Technology, Management, & Budget, Bureau of Labor Market Information & Strategic Initiatives at 517-241-8272 or andersonj12@michigan.gov.

Technical Notes

Background

The Conference Board began publication of the Help Wanted Online Data Series™ (HWOL) in July 2005 as a developmental series and initiated a major expansion of the program in December 2006. This new developmental program provides data on online advertised job demand and is intended to complement its long-standing Help Wanted Advertising Index™ of newspaper print advertising.

The Help Wanted Online Data Series™ fills a critical gap in the current U.S. economic indicators by providing timely monthly measures of labor demand (advertised vacancies) at the national, regional, State and metropolitan area levels. These monthly measures are comparable in timing and geographic detail to the Bureau of Labor Statistics (BLS) monthly measures of labor supply (unemployment).

The Conference Board HWOL program is one of the earliest published monthly indicators of economic activity in the previous month, with data publication centered around the 1st of each month. The program provides measures of levels and rates for both Total Online Ads and New Online Ads. The online vacancy program is one of the few economic indicators to provide occupational detail, with national estimates published at the major occupational group level and State and MSA estimates at higher level aggregates. To provide users with a broader analytical view of labor supply and labor demand, the press release includes the most recently available data from the Bureau of Labor Statistics on labor supply (unemployment) as well as occupational detail.

Coverage

The HWOL program is targeted to cover the full universe of all online advertised vacancies which are posted directly on internet job boards or through newspaper online ads. At present, ads on corporate web sites for their own jobs are excluded from coverage. However, since a number of job boards scrape these corporate websites these ads may also appear in the HWOL data count.

Concepts and Definitions

Survey Reference Period - The HWOL program uses a mid-month survey reference period. Data for December would be the sum of all posted ads from September 14th through December 13th. This reference period was aligned to the BLS unemployment “job search” time period to provide for a more accurate comparison of labor supply and labor demand in the U.S. economy.

Occupational data - Occupational data use the 2000 OMB Standard Occupational Classification (SOC) system. Ads are coded to the 6-digit SOC level; at present, slightly over 65% of the ads were able to be assigned an occupational code. Data in the monthly release is aggregated to the major occupational group level or higher.

Unemployment data - The unemployment and labor force data used in this release come from the BLS Local Area Unemployment Statistics (LAUS) program. This program provides a timely and accurate profile of labor force information for the nation and all major levels of geographic detail.

New ads - New ads are all unduplicated ads which did not appear in the previous reference period. An ad is counted as “new” only in the month it first appears.

Total ads - Total ads are unduplicated ads appearing in the reference period. This figure includes both new ads and reposted ads.

Ad Rates - Ad rates are the number of advertised vacancies as a percent of the BLS civilian labor force data for a geographic area. Ad rates represent the number of ads per 100 participants in the civilian labor force. The HWOL ads rate definition parallels the construction of the widely understood unemployment rate, i.e. unemployed persons divided by the civilian labor force.

Supply/Demand Rate - The supply/demand (S/D) rate is the number of unemployed divided by the number of advertised vacancies (i.e. the number of unemployed per advertised vacancy). The S/D rate provided an indication of the tightness of the labor market and whether overall supply and demand is out of balance. Additionally, because of the economic trend relationship between unemployment and vacancies, this rate should also provide a sensitive indicator of trend changes in an area or occupation.