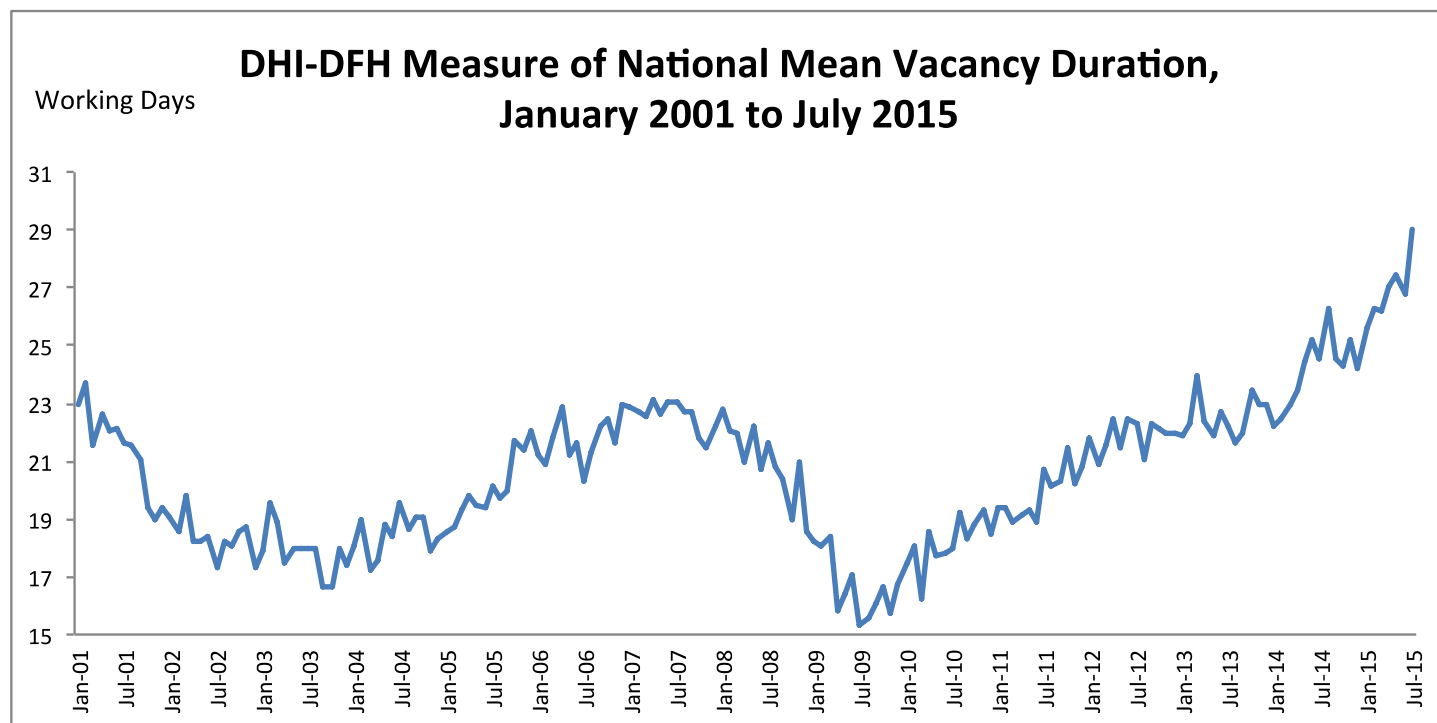


## Average Job Vacancy Duration Jumps to 29 Days in July – Another All-Time High

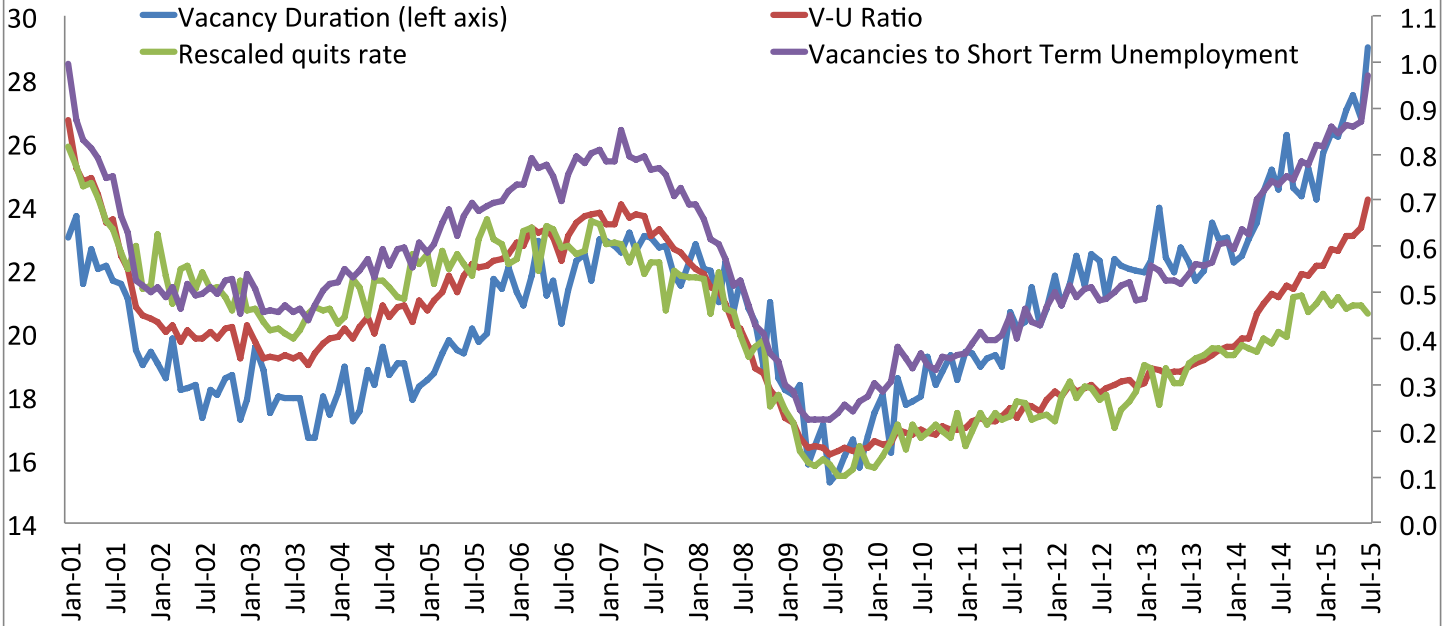
The **DHI-DFH Mean Vacancy Duration Measure** jumped to 29 working days in July, up from a revised 26.8 days in June. The longest job vacancy durations in 2015 (year-to-date) are in Health Services at 43.8 days and Financial Services at 41.0 days. The shortest are in Construction, with an average vacancy length of 11.9 days.



The DHI-DFH vacancy duration measure reflects the vacancy concept in the Job Openings and Labor Turnover Survey (JOLTS). Specifically, a job opening gets “filled” according to JOLTS when a job offer for the open position is accepted. So the vacancy duration statistics refer to the average length of time required to fill open positions. Typically, there is also a lag between the fill date and the new hire's start date on the new job.

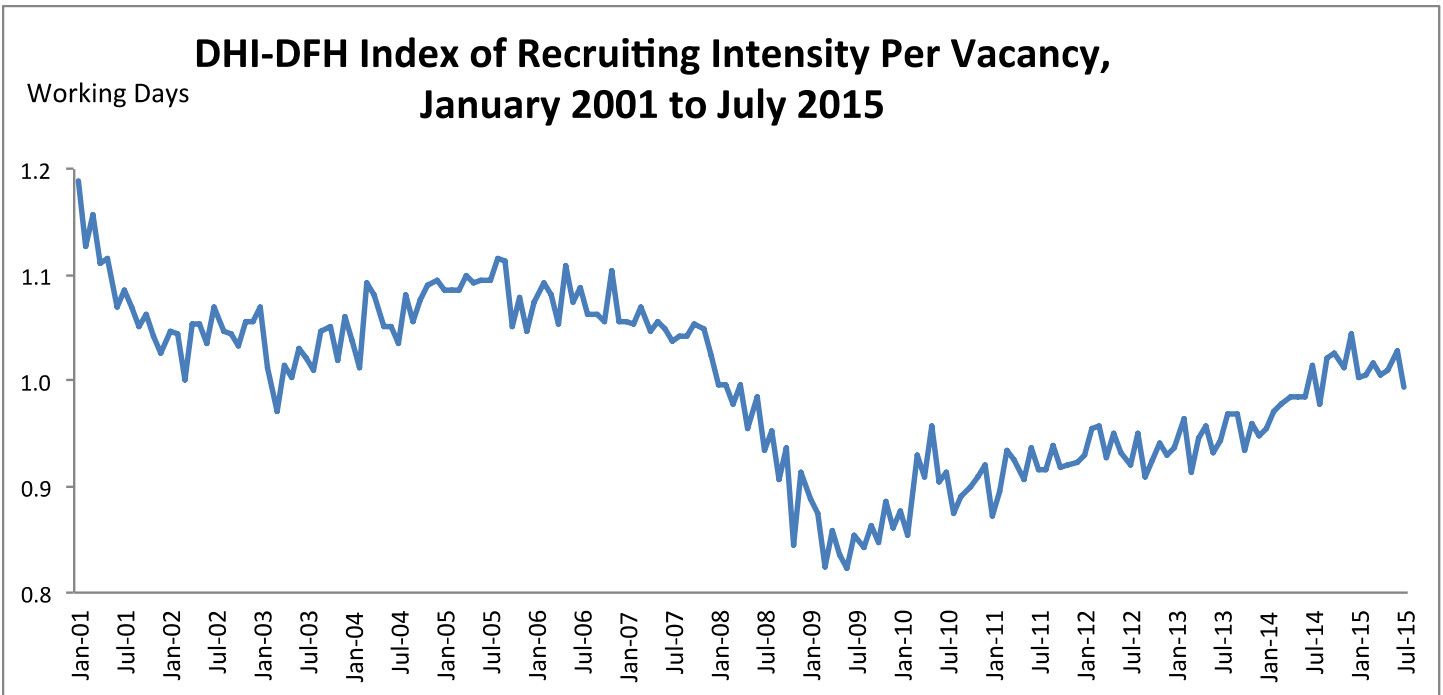
The following chart displays three other indicators of labor market slack alongside the mean vacancy duration. All four measures in the chart point to considerable tightening in U.S. labor markets since mid-2009. The ratio of job vacancies to short term unemployment and the vacancy duration measure suggest a stronger labor market recovery than the quits rate or the ratio of job vacancies to all unemployed persons. The quits rate has flattened in recent months, in contrast to the other three indicators of labor market slack.

### National Labor Market Slackness Measures



The Quits Rate time series is rescaled to have the same variance and mean as the Vacancies to Unemployment Ratio. Short Term Unemployment is the sum of individuals who have been unemployed for 26 weeks or less.

The **DHI-DFH Recruiting Intensity Index**, plotted in the following chart, fell from 1.03 in June to 0.99 in July.



The next two tables report industry-level statistics for vacancy duration and recruiting intensity per vacancy.

<b>Mean Vacancy Duration (Number of Working Days)</b>								
<b>By Industry and Time Period</b>								
	<b>2001 to 2003</b>	<b>2004 to 2006</b>	<b>2008</b>	<b>2009</b>	<b>2010 to 2012</b>	<b>2013</b>	<b>2014</b>	<b>Jan.-July 2015</b>
Resources	12.0	14.0	17.9	13.7	19.0	18.4	22.4	16.2
Construction	7.8	8.7	7.3	4.5	6.1	9.6	10.5	11.9
Manufacturing	17.4	21.0	21.5	13.6	23.5	28.6	29.1	32.9
Wholesale and Retail Trade	14.2	15.8	15.3	13.2	15.9	19.4	18.9	20.2
Warehouse, Trans. & Utilities	18.5	17.3	20.8	11.2	18.1	22.5	23.8	30.1
Information	25.9	36.2	34.5	24.8	41.0	36.4	34.8	36.1
Financial Services	28.0	32.2	27.6	25.7	33.8	36.0	38.6	41.0
Professional and Business Services	18.2	20.0	21.4	16.4	18.7	19.6	22.3	27.0
Education	21.3	24.9	22.5	18.3	20.6	23.5	25.8	31.0
Health Services	39.1	35.8	36.3	29.8	33.7	34.6	38.0	43.8
Leisure and Hospitality	13.8	14.9	14.9	10.6	13.4	16.8	19.6	20.5
Other Services	22.3	18.8	23.7	17.1	18.6	20.2	20.8	21.7
Government	32.9	30.6	35.9	32.2	33.1	35.9	37.5	39.0
Non-Farm	19.2	20.1	21.0	16.7	20.0	22.5	24.2	26.9

<b>Recruiting Intensity Index</b>								
<b>By Industry and Time Period</b>								
	<b>2001 to 2003</b>	<b>2004 to 2006</b>	<b>2008</b>	<b>2009</b>	<b>2010 to 2012</b>	<b>2013</b>	<b>2014</b>	<b>Jan.-July 2015</b>
Resources	0.99	1.07	1.05	0.70	1.00	0.96	1.06	0.92
Construction	1.07	1.04	0.89	0.89	1.01	0.93	0.90	0.89
Manufacturing	1.02	1.08	0.94	0.85	0.93	0.88	0.92	0.91
Wholesale and Retail Trade	1.05	1.10	0.96	0.84	0.89	0.94	1.04	1.05
Warehouse, Trans. & Utilities	0.96	1.12	0.93	0.93	0.96	1.01	1.10	1.10
Information	1.10	1.08	0.87	0.82	0.92	1.06	1.13	1.14
Financial Services	1.05	1.09	0.99	0.84	0.86	0.98	0.95	0.96
Professional and Business Services	1.08	1.07	0.90	0.82	0.94	0.95	1.01	1.00
Education	1.00	0.99	1.05	0.97	0.99	0.96	1.00	0.98
Health Services	1.08	1.03	1.01	0.93	0.89	0.93	0.97	0.98
Leisure and Hospitality	1.08	1.08	0.97	0.84	0.88	0.92	0.96	0.98
Other Services	1.01	1.07	0.95	0.96	0.95	0.98	0.96	1.04
Government	1.06	1.05	0.92	0.86	0.93	0.93	0.98	1.05
Non-Farm	1.05	1.08	0.95	0.86	0.92	0.95	1.00	1.01

“Longer vacancy durations and falling unemployment rates point to a considerable tightening of labor markets in recent months,” said Dr. Steven Davis. “Wage pressures are likely to intensify if the economy continues along this path.” Davis is William H. Abbott Professor of International Business and Economics at the University of Chicago Booth School of Business, a Visiting Fellow at the Hoover Institution, and co-creator of the DHI-DFH Recruiting Intensity Index and the DHI-DFH Vacancy Duration Measure.

“The recruiting environment today varies by sector, but there are a few standouts. Job creation in tech, financial activities and healthcare is outpacing last year which, when coupled with consistently low unemployment rates, makes for a strong job market for professionals in those areas,” said Michael Durney, President and CEO of DHI Group, Inc. “The revolving door of talent continues to turn in these specific industries, leaving employers with the task of finding compelling ways to attract skilled professionals to fill open seats.”

### **About the DHI Hiring Indicators**

The **DHI-DFH Recruiting Intensity Index** quantifies the effective intensity of recruiting efforts per vacancy by employers with vacant job positions. The index is normalized to an average value of 1.0 for the period from January 2001 to December 2012. It complements the monthly [Job Openings Rate](#) produced by the U.S. Bureau of Labor Statistics (BLS) from the [Job Openings and Labor Turnover Survey](#).

The pace of new hires in the economy depends on the number and types of job seekers, the number and types of job vacancies, and employer actions that affect how quickly vacant jobs are filled. These actions include the choice of recruiting methods, expenditures on help-wanted ads, how rapidly employers screen job applicants, hiring standards, and the attractiveness of compensation packages offered to prospective new hires. The BLS Job Openings Rate captures the availability of job vacancies in the economy, while the **DHI-DFH Recruiting Intensity Index** captures the intensity of employer efforts to fill those vacancies. The index is available at the national, regional and industry levels and by establishment size class (number of employees).

The index construction follows the method developed by Steven J. Davis, R. Jason Faberman and John Haltiwanger (DFH) in “[The Establishment-Level Behavior of Vacancies and Hiring](#),” published in the May 2013 issue of the *Quarterly Journal of Economics*, and extended to industry and regional indices in “[Recruiting Intensity during and after the Great Recession: National and Industry Evidence](#),” published in the May 2012 issue of the *American Economic Review*.

The **DHI-DFH Vacancy Duration Measure** quantifies the average number of working days taken to fill vacant job positions. It supplements other measures often used to assess the tightness of labor market conditions such as the ratio of vacant jobs to unemployed workers.

Vacancy durations depend on the relative numbers of job seekers and job vacancies, the recruiting and search methods available to employers and job seekers, employer recruiting intensity per vacancy, the search intensity of job seekers, and the degree to which the requirements of jobs on offer match the skills, locations and preferences of job seekers. Other things equal, a larger ratio of job vacancies to job seekers yields longer vacancy durations.

The **DHI-DFH Vacancy Duration Measure** follows the method developed by Steven J. Davis, R. Jason Faberman and John Haltiwanger (DFH) in “[The Establishment-Level Behavior of Vacancies and Hiring](#),” published in the May 2013 issue of the *Quarterly Journal of Economics*. That method combines a simple model of hiring dynamics with data on hires and vacancies from the [Job Openings and Labor Turnover Survey](#) (JOLTS) conducted by the U.S. Bureau of Labor Statistics. Using their model and the JOLTS data, DFH estimate an

average daily job-filling rate for vacant job positions in each month. Taking the reciprocal of the daily job-filling rate yields the **DHI-DFH Vacancy Duration Measure**, which is available at the national, regional and industry levels and by establishment size class.

The average daily job-filling rate is closely related to the “vacancy yield,” the ratio of hires during the month to the stock of vacancies on the last business day of the previous month. Unlike the vacancy yield, however, the daily job-filling rate (and the **DHI-DFH Vacancy Duration Measure**) adjusts for job vacancies that are posted and filled within the month. Working days are defined as Mondays through Saturdays, excluding major national holidays.

### **About DHI Group, Inc.**

DHI Group, Inc. (NYSE: DHX) (formerly known as Dice Holdings, Inc.) is a leading provider of specialized websites and services for professional communities including technology and security clearance, financial services, energy, healthcare and hospitality. Our mission is to empower professionals and organizations to compete and win through specialized insights and relevant connections. Employers and recruiters use our websites and services to source and hire the most qualified professionals in select and highly-skilled occupations, while professionals use our websites and services to find the best employment opportunities in and most timely news and information about their respective areas of expertise. For almost 25 years, we have built our company on providing employers and recruiters with efficient access to high-quality, unique professional communities and offering the professionals in those communities access to highly-relevant career opportunities, news, tools and information. Today, we serve multiple markets primarily located throughout North America, Europe and the Asia Pacific region.

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