

Hidden Workers and Workforce Transition

Alaska Chamber of Commerce: Winter Forum 2021

Professor Joseph Fuller

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LinkedIn: /josephbfuller

Twitter: @JosephBFuller

#ManagingTheFutureOfWork

MFW Website: www.hbs.edu/managing-the-future-of-work/

Harvard Project on Workforce Website: <https://www.pw.hks.harvard.edu/>



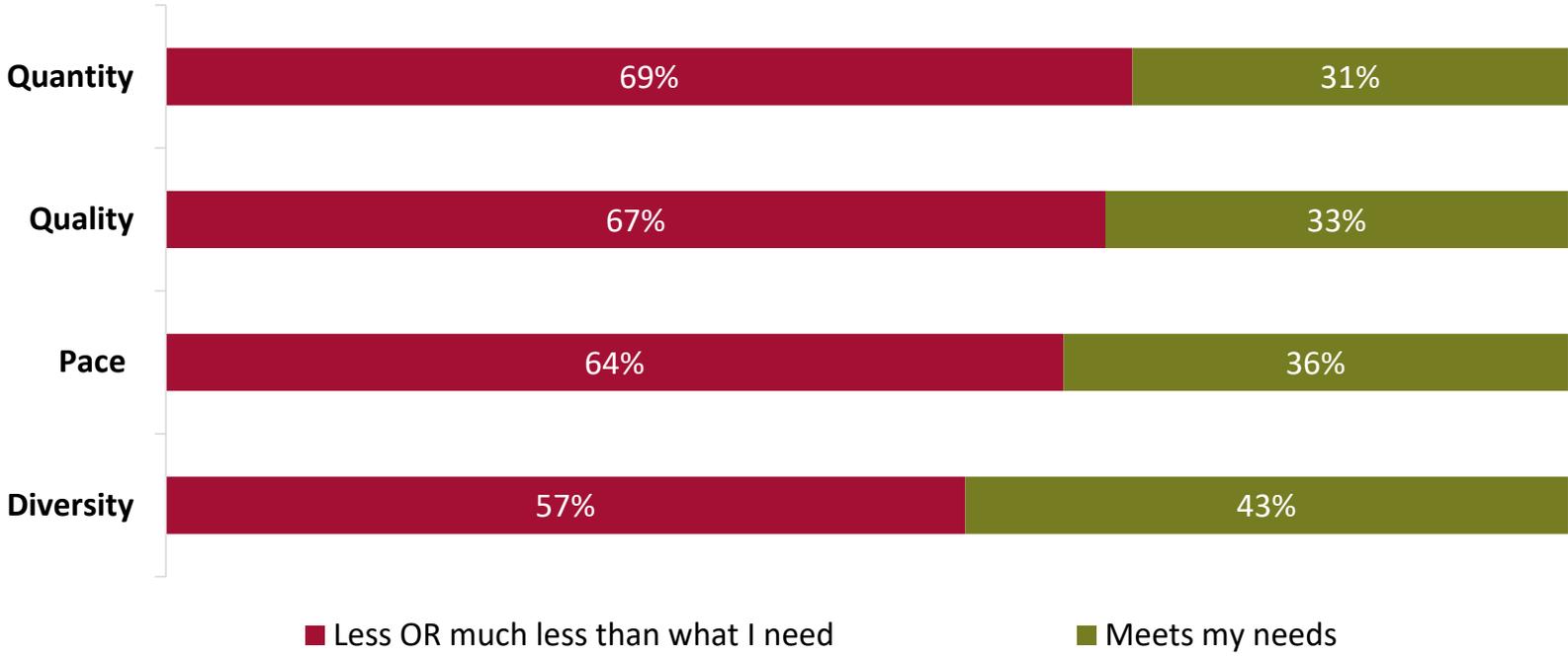
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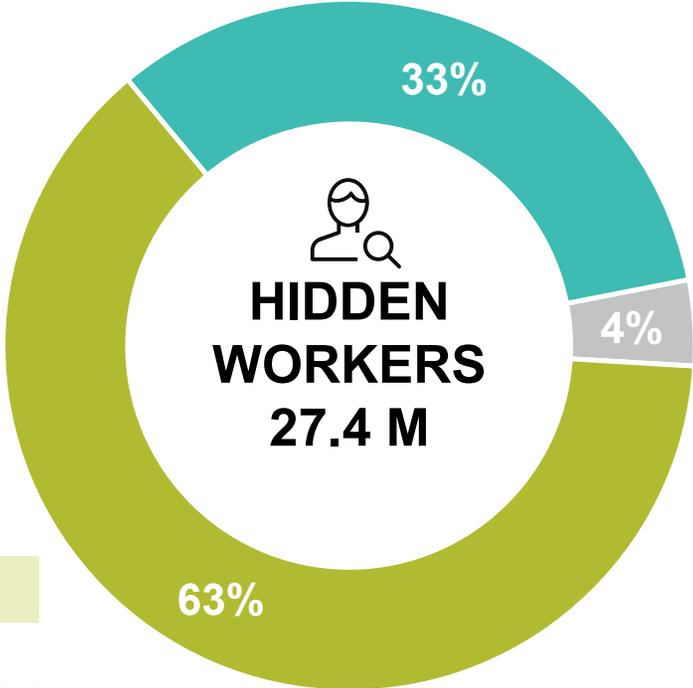
Employers cannot find the right talent

Can you find the quantity/quality/pace/diversity of candidates your organization needs to ensure the success of your business?

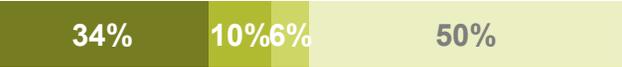


Note: Only those who indicated that their organization uses a recruitment management system to initially rank or filter middle skills or high skills candidates were shown this question.
Source: "Hidden Worker – Employer Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, January-February 2020

Composition of the U.S. hidden workforce, March 2020



MISSING HOURS



- Economic reasons
- Non-economic reasons - child/family care
- Non-economic reasons - health/retired
- Non-economic reasons - others

MISSING FROM WORKFORCE



- Inactive retired
- Inactive others
- Want to work

MISSING FROM WORK



- Long-term unemployment
- Very long-term unemployment

Note: The “missing hours” group consists of people who are working one or more part-time jobs, but could or would like to work full-time; the “missing from work” group consists of those who have been unemployed for a long time but are still seeking employment; the “missing from the workforce” group consists of those who are currently not working and are not actively seeking employment, but who could be working under the right circumstances.

Source: Accenture Research based on IPUMS CPS data from March 2020 combined with economic modeling results (based on data for 2015-2020).

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Barriers faced by hidden worker groups

Barrier groupings

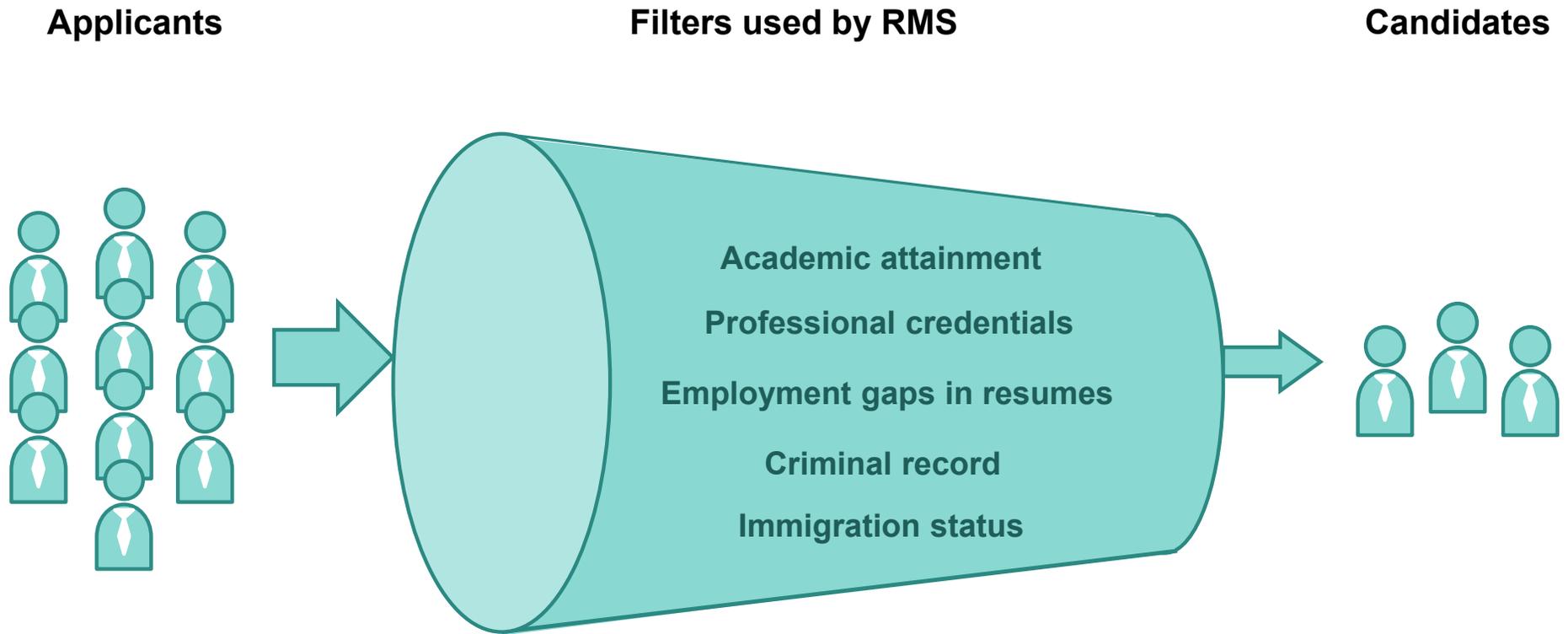
■ Barrier applies ■ Most important barrier

Hidden Worker Segment	Caregiving Frictions	Health Issues	Employer Accommodation	Qualifications & Skills	Mindset	Mismatch	Wrong Fit	Information & Resources	Government Policy
No Traditional Education									
Health Issues									
Relocated									
Caregivers									
<i>Veterans</i>									
No Work Experience									
Retired									
Less-Advantaged									

Note: The above is based on a likelihood model that each type of hidden worker would cite each barrier as being relevant. Background controls include age, gender, educational attainment, country, ethnicity, and household income. The green cells indicate that each type of hidden worker is likely to cite each barrier group as relevant, and this conclusion is statistically significant at the 5% level. Among all the significant barrier groups for each type of hidden worker, the red cells indicates the one that is cited most strongly.

Source: "Hidden Worker – Worker Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, May-June 2020

Common filters used by RMS

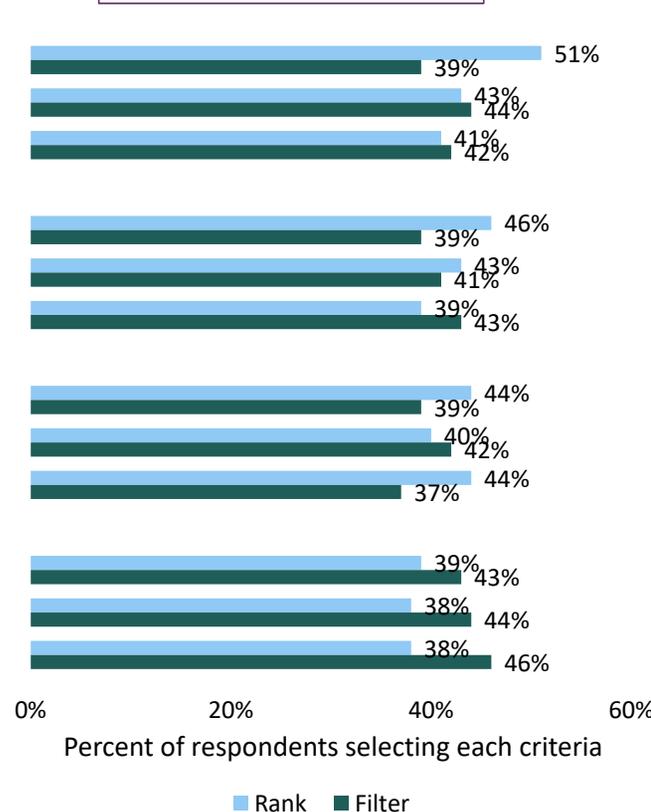


Employers use many criteria to rank and filter candidates

For each criteria listed below, please indicate if your organization's recruitment management system uses it to rank or filter out prospective candidates during the initial screening process.

Middle skills candidates

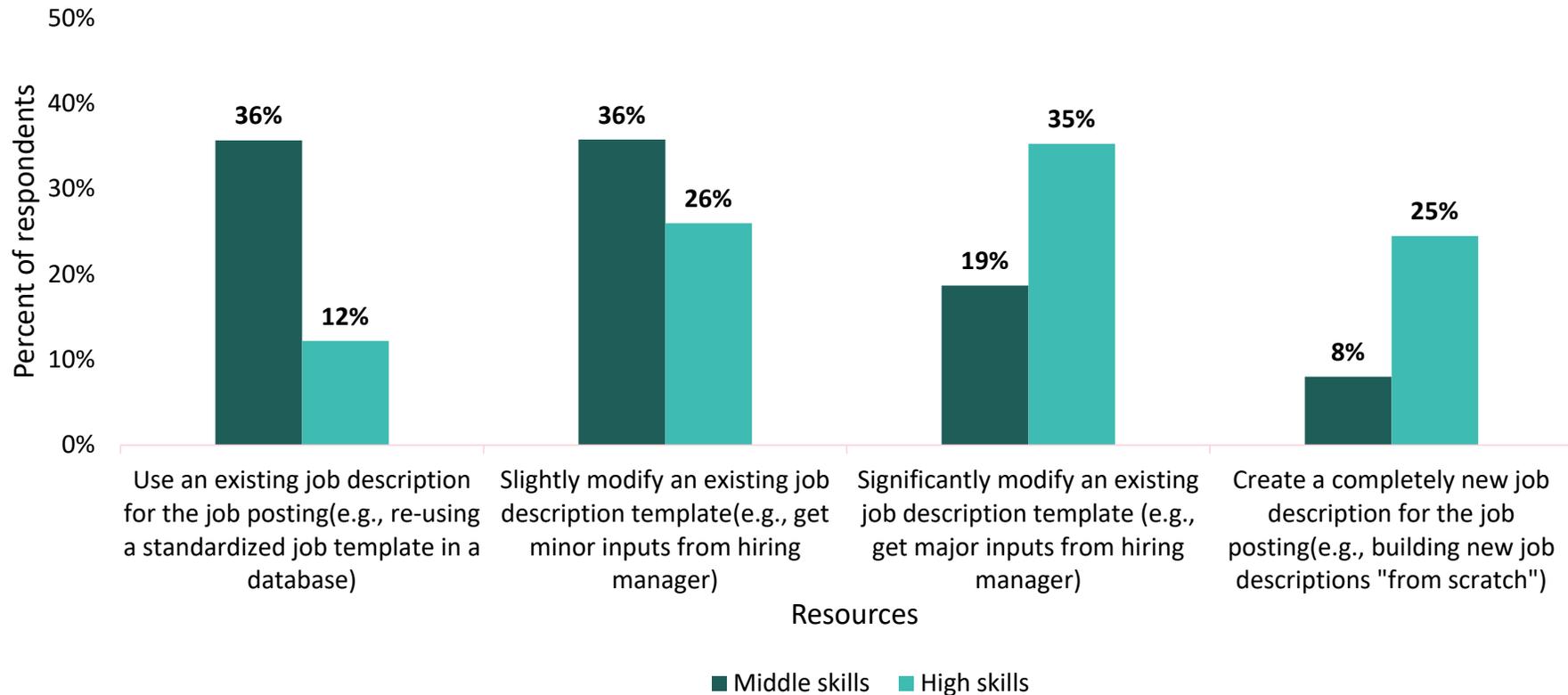
High skills candidates



Note: Only those who indicated that their organization uses a recruitment management system to initially rank or filter middle skills or high skills candidates were shown this question.
 Source: "Hidden Worker – Employer Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, January-February 2020 © Joseph Fuller, 2021

Employers recycle old job postings rather than create new ones

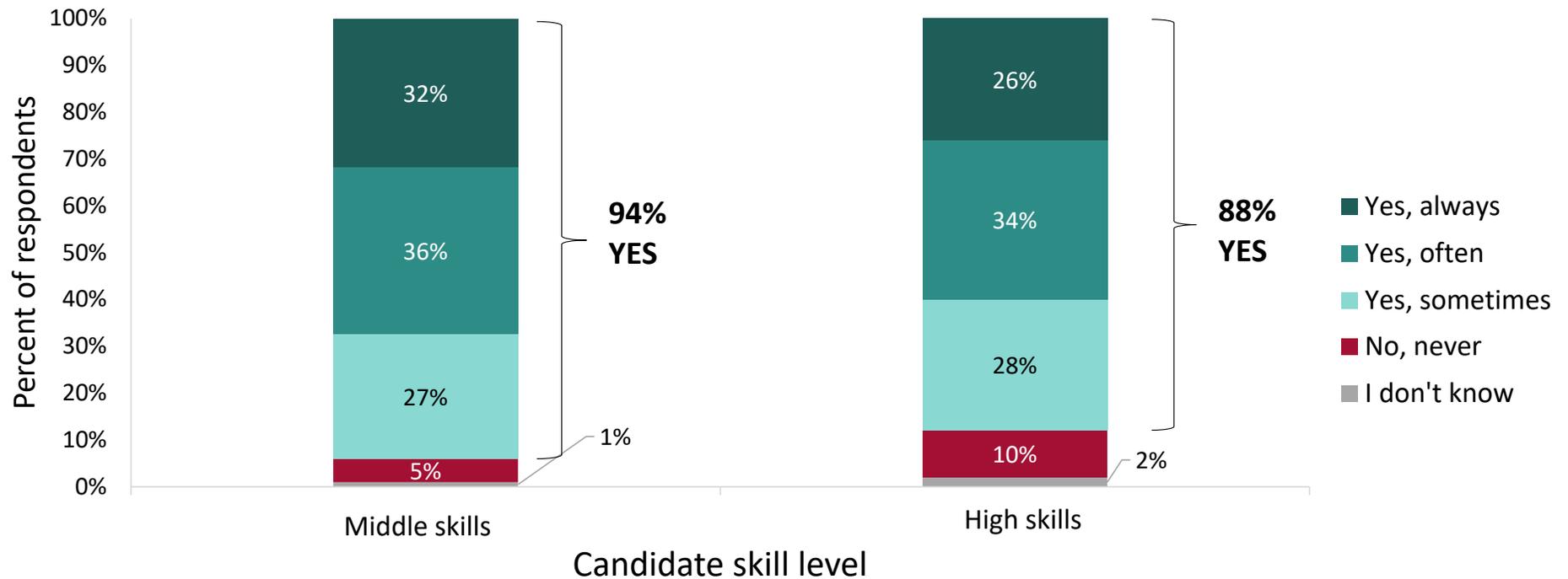
When creating a new job posting for middle skills/high skills positions, which of the following statements best reflects your organization's typical approach?



Source: "Hidden Worker – Employer Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, January-February 2020

Employers know their systems filter out qualified candidates

Do you think your organization's hiring system filters out potential low-and-middle skills hires or high skills hires who could successfully perform the job, but don't fit the exact criteria in the job description? (e.g., lacks professional experience)?

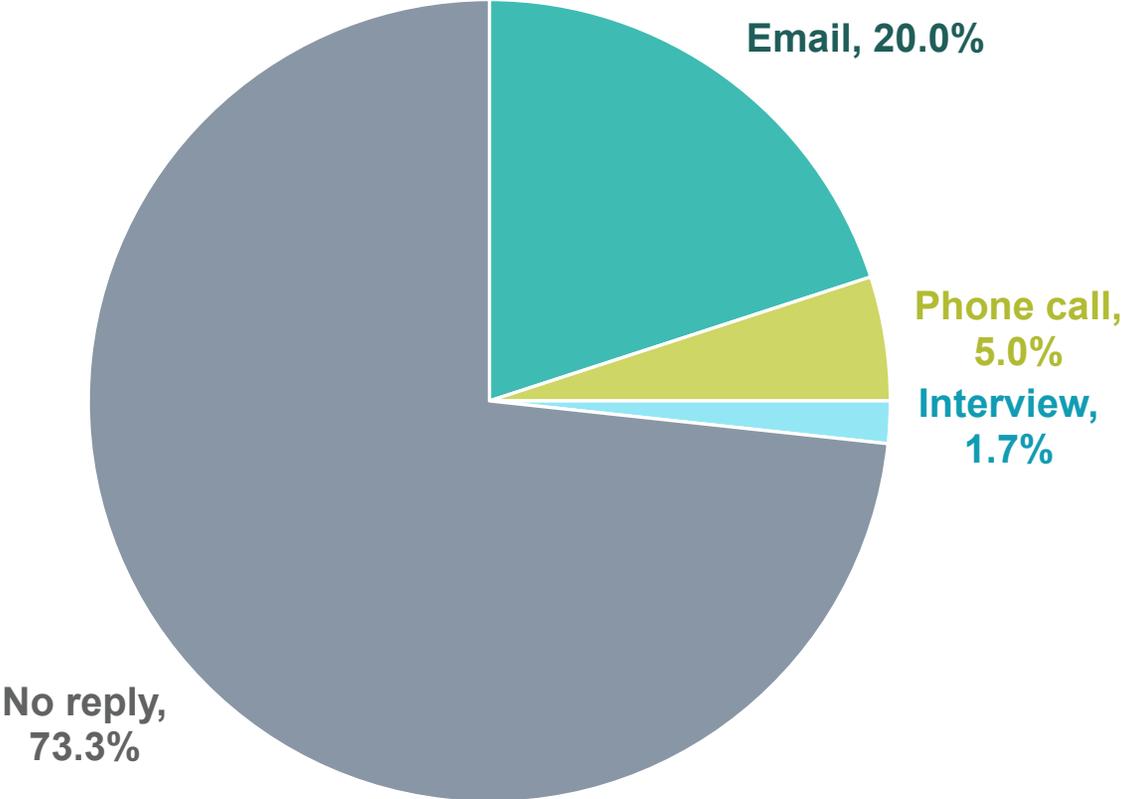


Note: Percentages may not sum to 100 due to rounding.

Sources: "Hidden Worker – Employer Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, January-February 2020

Job application results

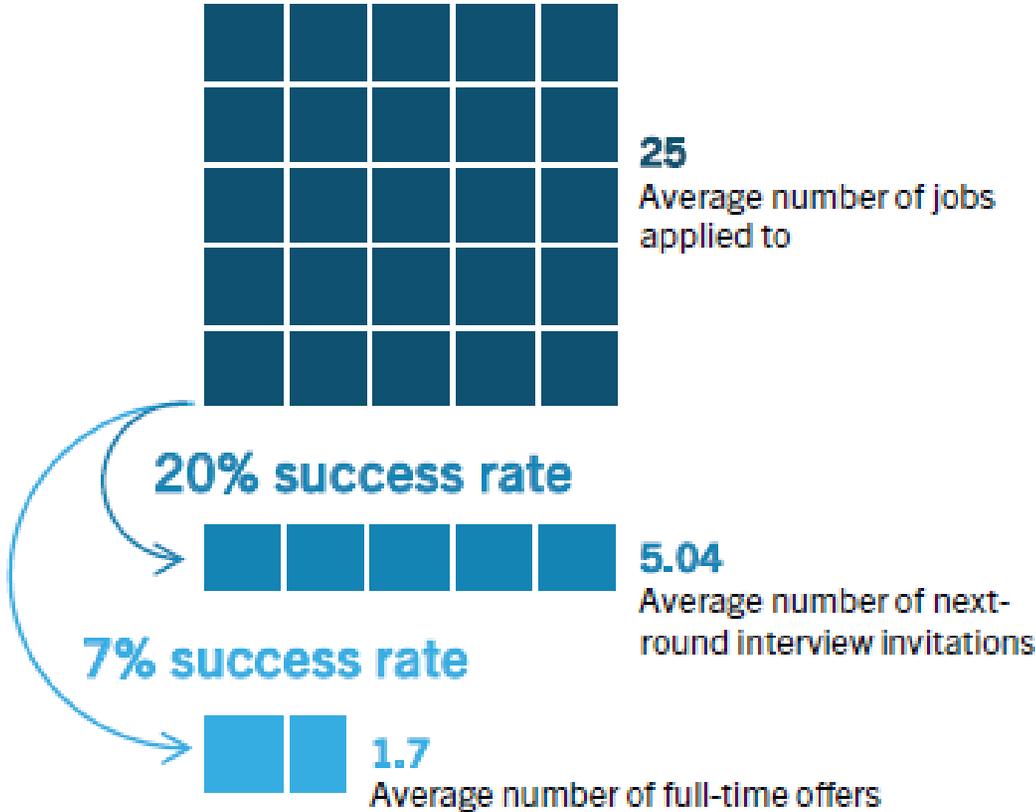
September applications by result



Source: Joey Holz via Reuter, Dominick, "A worker in Florida applied to 60 entry-level jobs in September and got one interview," *Business Insider*, 19 Oct. 2021.

Hidden workers experience low application success rates

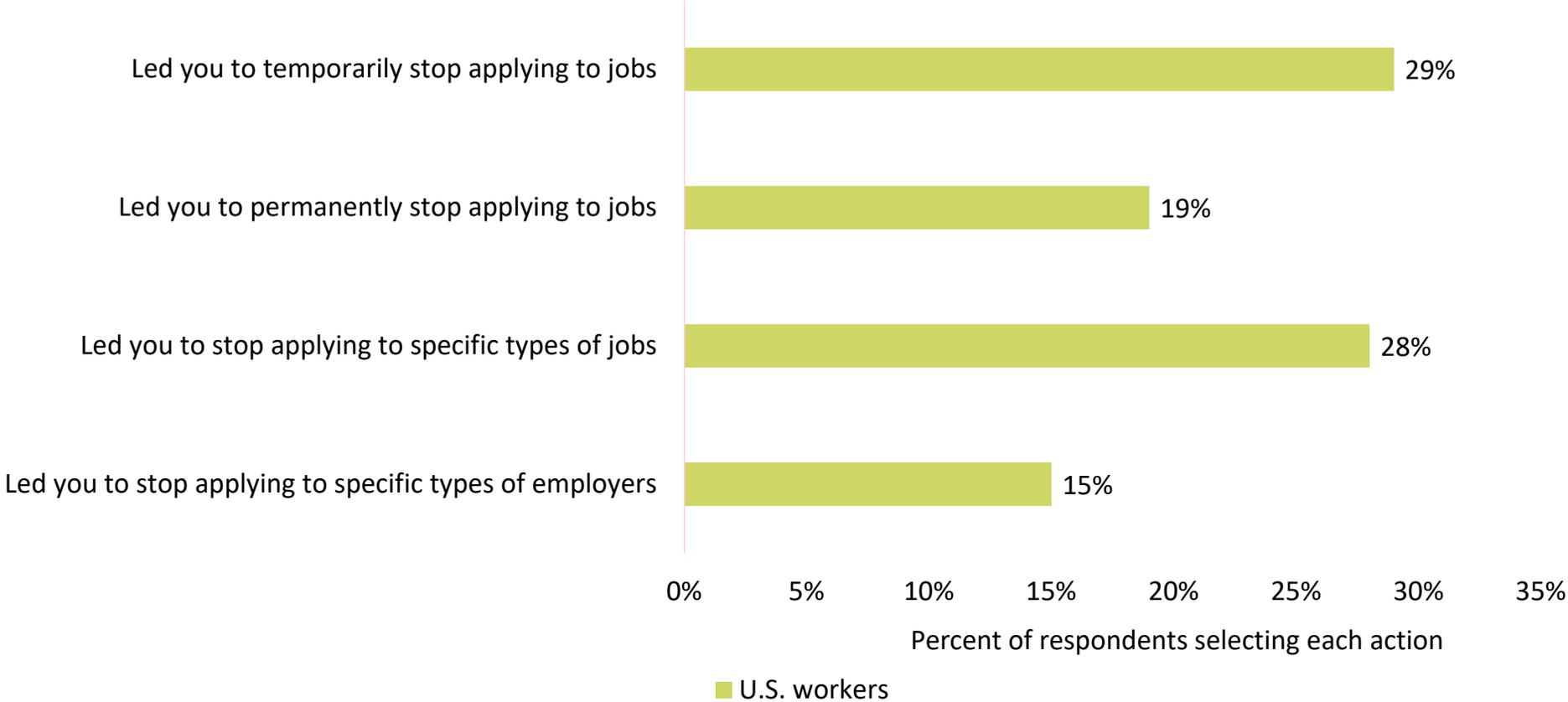
How many jobs have you applied for in the past 5 years? Out of these jobs you applied to, roughly how many invited you for at least one further round of evaluation? Roughly how many offered you a full-time job?



Note: Only those who indicated that they have applied to any job in the last 5 years answered these questions.
Source: "Hidden Worker – Worker Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, May-June 2020
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Workers discouraged by job application process

In your experience, has the job application process ever:



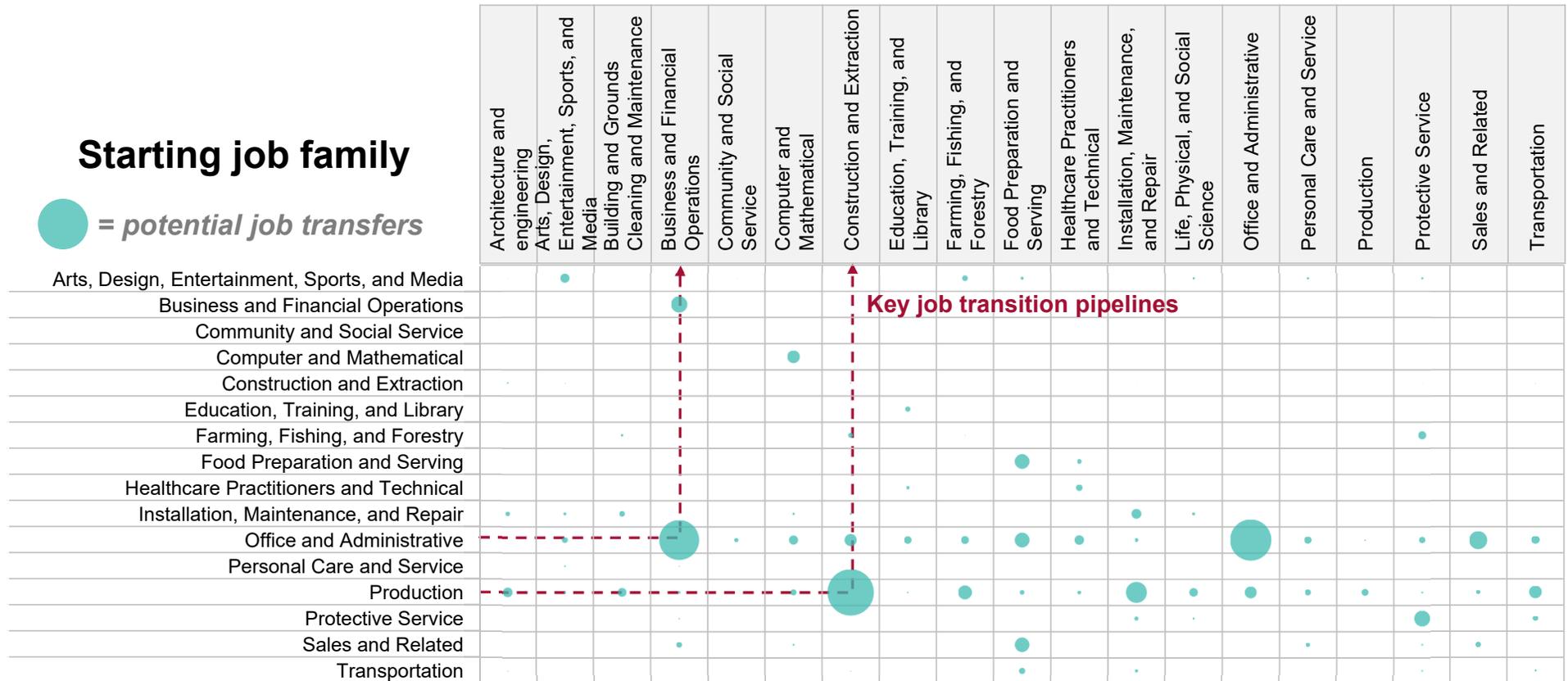
Source: "Hidden Worker – Worker Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, May-June 2020

Developing pathways that draw on existing capabilities

Target job family

Starting job family

 = potential job transfers

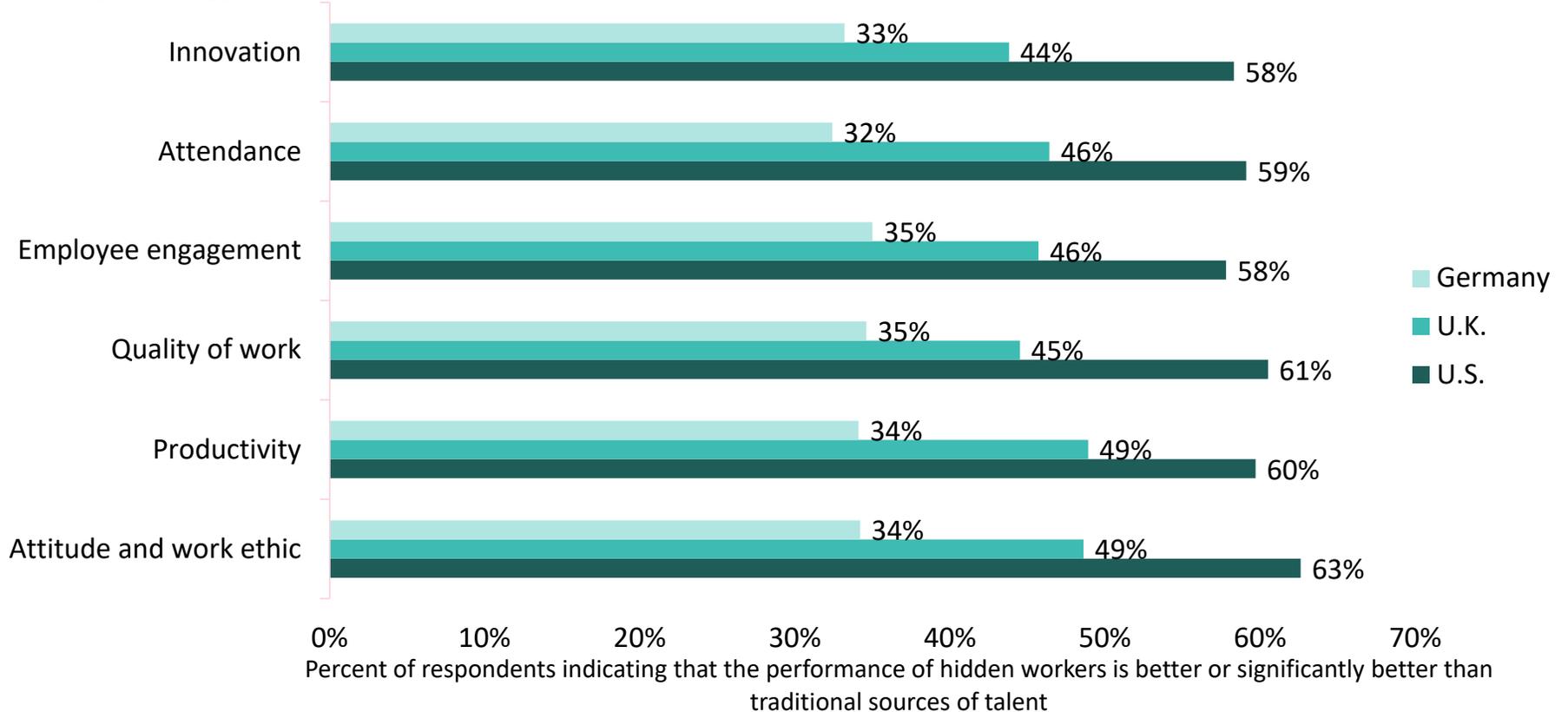


Source: Burning Glass and World Economic Forum 2018 report, "Towards a Reskilling Revolution"

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Benefits of hiring hidden workers

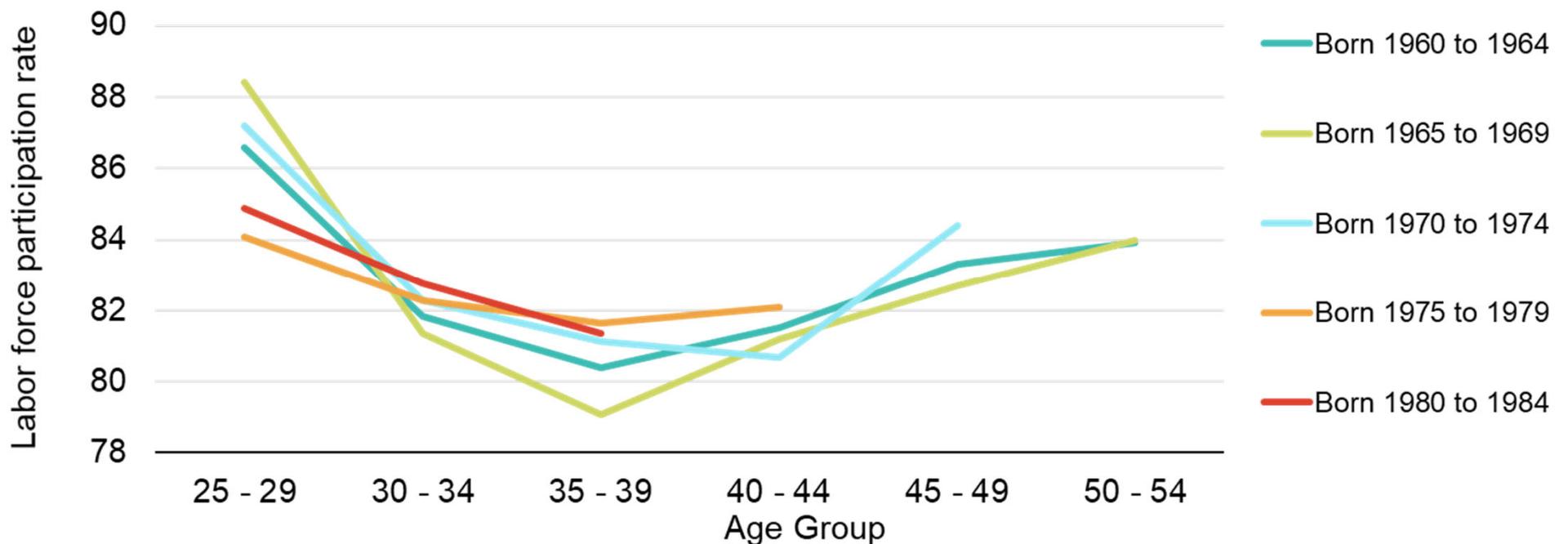
Relative to traditional sources of talent, how would you compare the performance of workers from untapped talent pools on the following factors?



Source: "Hidden Worker – Employer Survey," Accenture and Harvard Business School's Project on Managing the Future of Work, January-February 2020
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Women exit the labor force during key career-building years. This trend has persisted for decades

Labor force participation of college-educated women by age cohort
Percentage, United States

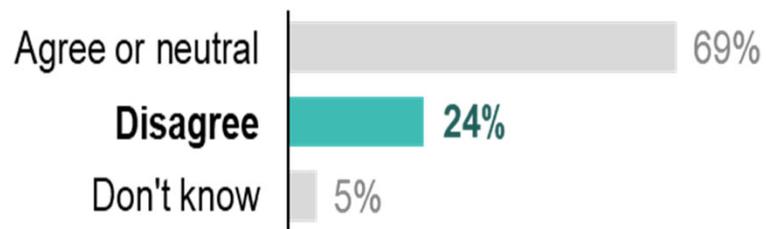


Source: Sandra E. Black, Diane Whitmore Schanzenbach, and Ryan Nunn, in "The Recent Decline in Women's Labor Force Participation," *The 51%: Driving Growth through Women's Economic Participation*, edited by Diane Whitmore Schanzenbach, and Ryan Nunn (Washington D.C.: Brookings Institute, 2017), p. 4.

Surveys of employers and caregiving employees revealed significant misalignments

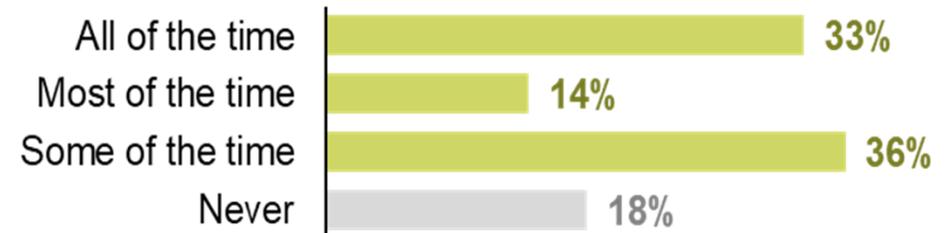
Key findings: Employers

“Caregiving responsibilities have no impact on employee performance at my organization”



Key findings: Caregiving employees

“To what extent, if at all, has caregiving affected your ability to perform your best at work?”



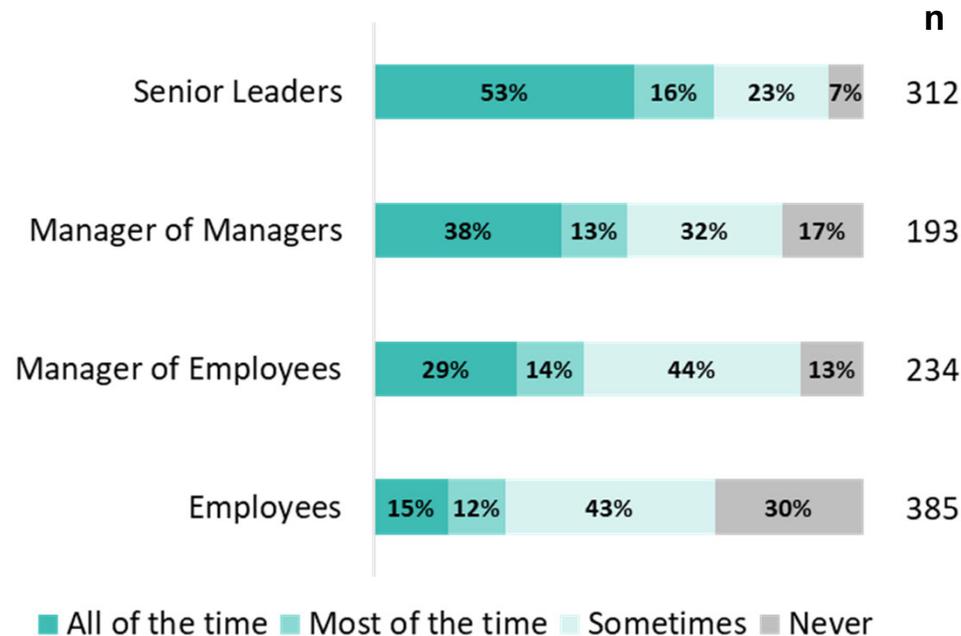
Employers: Caregiving isn't an issue for my company

Employees: Care often made me underperform or quit

Top talent is struggling to balance work with caregiving. Many workers simply quit their jobs

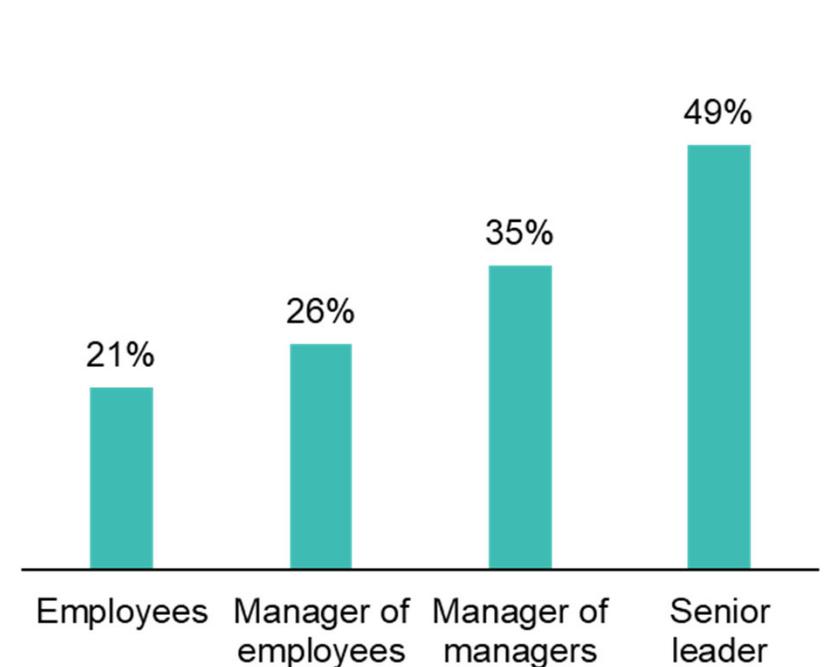
To what extent, if at all, has caregiving affected your ability to perform at your best at work?

United States, 2017 survey



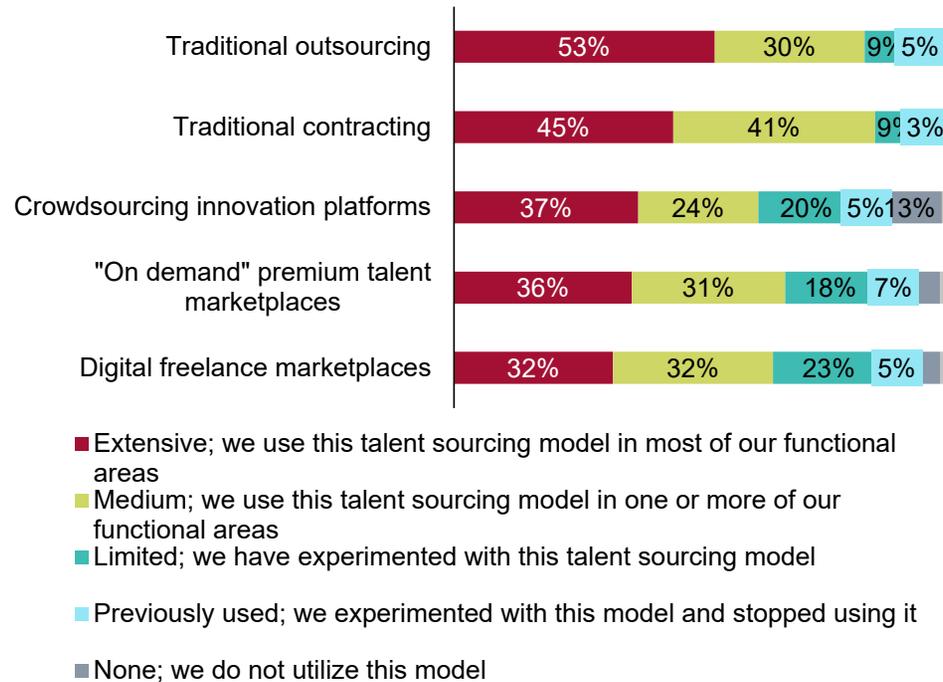
Have you ever left a job because of caregiving responsibilities?

United States, 2017 survey

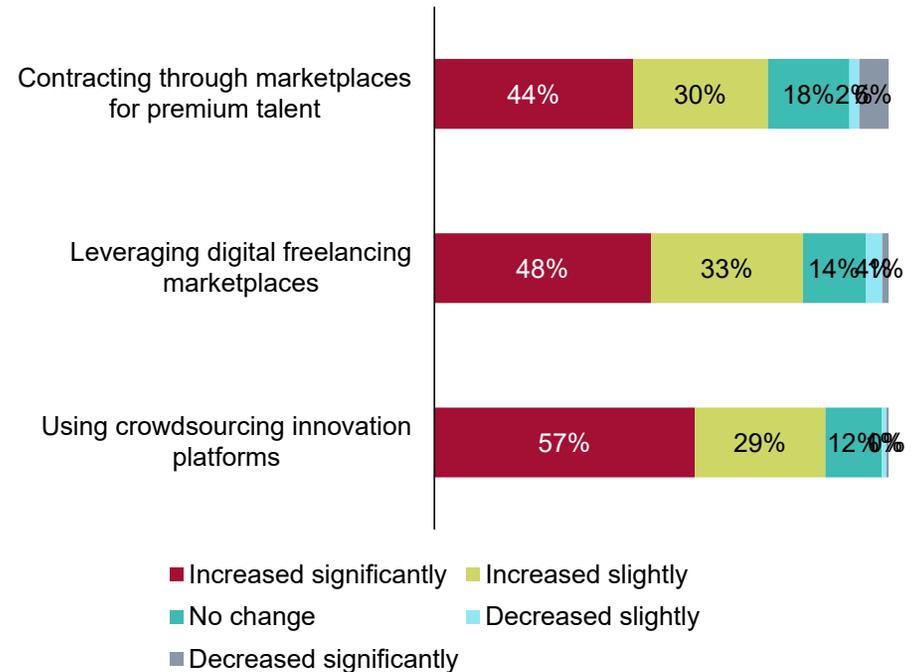


Utilization of talent platforms rapidly increasing

Increasing adoption of variety of high-skills digital talent platforms



Increased utilization of talent platforms to access high-skills talent

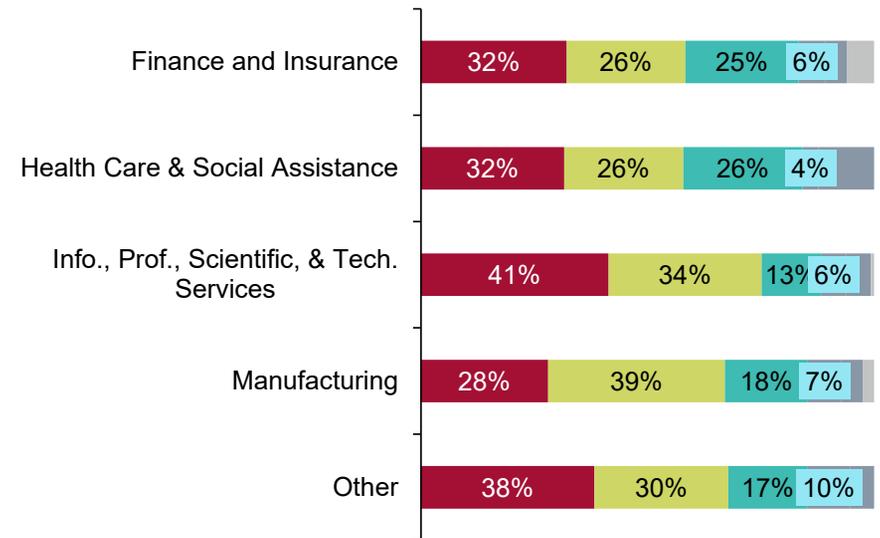
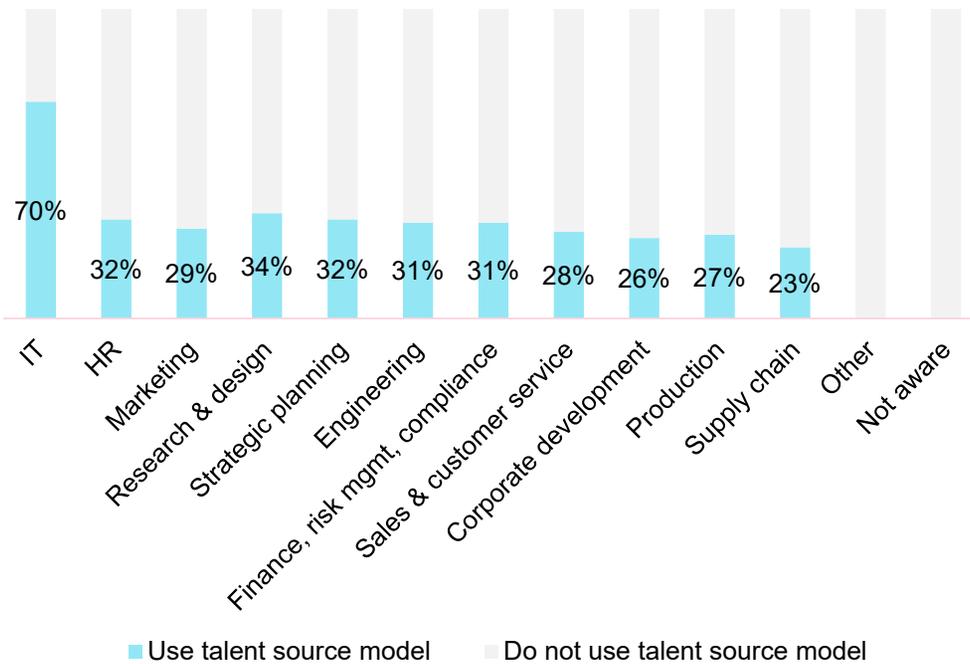


Note: This question was shown to business leaders who indicated they were "moderately" or "extremely" familiar with the area of sourcing talent/talent strategy and "aware" of at least one type of digital talent platform. The results above include 1938 respondents and exclude the choice of "Other," which was selected by 0% of respondents.

Source: Fuller, J., Raman, M., Bailey A., Vaduganathan N., et al (November 2020). Building the on-demand workforce.

Use of premium talent marketplaces by function

Marketplaces for premium talent

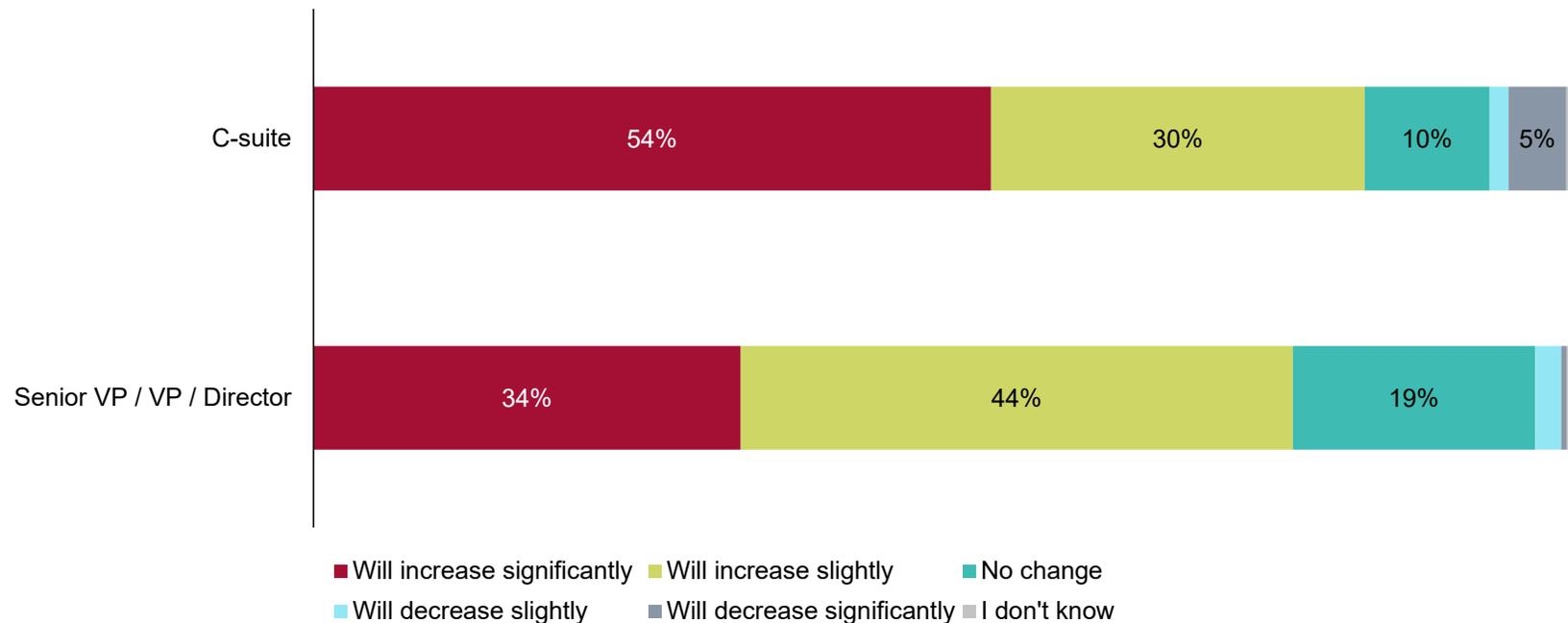


- Extensive; we use this talent sourcing model in most of our functional areas
- Medium; we use this talent sourcing model in one or more of our functional areas
- Limited; we have experimented with this talent sourcing model
- Previously used; we experimented with this model and stopped using it
- None; we do not utilize this model
- Not sure of our utilization

18 Note: This question was shown to business leaders who indicated they were "moderately" or "extremely" familiar with the area of sourcing talent/talent strategy and "aware" of at least one type of digital talent platform.
Source: Fuller, J., Raman, M., Bailey A., Vaduganathan N., et al (November 2020). Building the on-demand workforce.

Senior leaders anticipate increased utilization in future, but at different rates

Expected evolution in utilization of talent models over the next three years



19 Note: This question was shown to business leaders who indicated they were "moderately" or "extremely" familiar with the area of sourcing talent/talent strategy and "aware" of at least one type of digital talent platform.
Source: Fuller, J., Raman, M., Bailey A., Vaduganathan N., et al (November 2020). Building the on-demand workforce.