

Decoding the Job Market: Insights from Vicinity Jobs'

CEO Strac Ivanov

Host: Maggie John

Overview:

In this episode, Strac Ivanov joins us to explain why job postings are a useful and instructive source of labour market information. Ivanov is the founder and President of Vicinity Jobs, a Canadian economic development and business intelligence technology company. Ivanov explains how a four-fold increase in the number of online job postings has created a wealth of data that can be used to help understand and illuminate the skills employers are typically looking for, as well as the collective skill sets that help job seekers find work.

Highlights from our conversation include:

1. Regarding AI's impact on the job market, Ivanov said job postings show a shift away from skills in AI development to skills with AI use, indicating that current, applicable knowledge of these tools has become more important in finding employment.
2. Post-secondary institutions can utilize data from job postings to ensure programs and classes remain relevant and that graduates are employable.

MAGGIE:

We are back and live at Magnet Network Live. I'm your host, Maggie John, and we now have Strac Ivanov with us. He is the founder and CEO of Vicinity Jobs.

Strac, really, Vicinity has been one of the leading organizations when it comes to job data. Talk to me about job posting, job data, what you're seeing the trends are right now.

STRAC:

Well, job postings are a major source of labor market information. They haven't always been. That's something that we started doing actually back in 2006, but it has taken a while for the mainstream of economists to actually adopt it. However, this has happened now, and there is a wealth of information that you can get from there. When you think about it, it is actually a fairly intuitive thing.

When job seekers and employers want to connect, they now would go online. That's the place where a lot of these connections are happening. And as they do this, they leave a fairly large footprint. So the job seekers leave very often their resumes, information about the skills they have, the type of job they're looking for, and employers about their requirements.

Using this information to understand what's going on is quite valuable because you can get into a level of detail that is a lot deeper than what you can get through surveys, for example, through traditional methods of collecting labor market information. But it also gives you the opportunity to track what's happening in real time and to understand how things are changing this month versus last month versus the same time last year versus the same time five years ago.

So that's the power and that's the opportunity actually that job postings data provides. We have been using the information to look into various aspects of the changes that the market is going through. How has AI, for example, impacted the demand for AI skills and the surrounding skills? That's one of the things that has been of a lot of interest lately. But also things like understanding a little better how the market has changed, for example, since COVID. Are there differences between what employers wanted before COVID and after? Of course, it's a little difficult to pick apart the impact of all of these changes. But it has been exciting.

The so-called green skills or the greening of the economy— is it creating more demand? How is all this changing? These are some of the questions that a lot of our partners and clients have been using our data to try and get answers to.

And of course, trying to make sure that the data is well aligned also with what traditional sources are saying.

There's quite a bit of work on that front that, for example, the Labor Market Information Council in Ottawa has done, comparing job postings data and the findings of job postings data with the higher-level findings from the Statistics Canada surveys on job vacancies.

MAGGIE:

And how are you seeing the trends change in the way that people are just even looking for jobs than they were maybe five, ten years ago?

STRAC:

I think one major thing, actually when we started, one of the first things we did—part of our business at the start—was we started operating job aggregators. We were among the first companies to launch a job aggregator. At the time, we had to explain to people what a job aggregator was. It was a lot more difficult to get information about job vacancies. You had to go to a number of websites. That has changed.

A lot of it was not being published because it was difficult for job seekers to find them, so it was less worth it for employers to advertise them.

One thing that has happened, that is quite remarkable, is that employers seem to be a lot more likely to advertise job vacancies right now. There's a much larger share of jobs actually being advertised online because the online marketplaces and communication channels have become a lot more effective and it's a lot easier to reach the audience.

MAGGIE:

Were they not advertising before?

STRAC:

When we started, the conventional wisdom was that something like only 20 percent of job vacancies were advertised online. You had to network and connect with people to find out about them.

I'm sure there are still... well, there's actually some research now that you can do comparing numbers of job postings and jobs that are advertised online. Statistics Canada is doing some of that research now. At the time, it wasn't. But at the moment, depending on where you look, you're a lot closer to somewhere between 80 and 90 percent.

I think that's actually a welcome trend. It's good for us because we get to analyze the data, which gives us a lot more insight into what's going on. That's also great for people looking for work.

Of course, networking is still important, connecting with the right people, but if you leave it up to networking for people to even find out about opportunities, you're creating a labor market that automatically excludes people who don't have those connections. So if you're a newcomer or from a family or circle that doesn't have any connections in the field you're trying to get into, it becomes much harder. It doesn't matter how good your skills are or how motivated you are, you may not be able to just break in because there's no one to introduce you.

MAGGIE:

You alluded to AI and you're seeing a lot more you know more employees looking for or skill sets in the AI world. Talk to me about that.

STRAC:

It has been actually quite interesting. What we have found, and there will be actually some more information coming out shortly with a study we did in partnership with the Vector Institute here in Toronto and with the Conference Board, so I'll leave it for them to explain more of the details.

But something that we have been seeing is that the emergence of AI skill and the adoption of generative AI has not necessarily translated in the type of change that we would have expected.

So yes we are seeing different types of jobs now that that requires some sort of AI skills so it's spilled more into...it was very concentrated before into software development very technical roles now it's spilled into other roles so that's something

that you would probably expect to see. But one thing that we we are seeing is that there is, you know, there's a move away from the development of AI technologies, especially in Canada, that we're seeing, and more towards the use of AI technologies.

So if companies before would have said, I want to develop something that I can use that will give me a competitive advantage, it seems that now it's more like there are all these products that are out there already. Companies have invested billions of dollars of building and I can't build something that is as close to this, that is even close to this.

So things like prompt engineering, for example, or the ability to use those, the knowledge about what is out there and how to use it has become more important.

MAGGIE:

Talk to me about your partnership with post-secondary institutions and trying to work alongside them as recent grads are also looking for work.

STRAC:

Yeah, so in our case, our focus, where we are right now with Vicinity Jobs, is not necessarily to tell you what individual vacancies are available right now, right at this moment, because you can find this out through, for example, Indeed, through Eluta here in Canada.

It is more to understand what the trends have been and where universities and colleges in particular are using our data is to understand what demand is there for educational programs to be launched or even potentially to be changed.

So when you're building any type of an educational program, whether it's a degree or whether it's a micro-credential, just a class that you want to bring to the market, the first thing you need to find out is...Is there a demand for this? What is there a demand for that we should be teaching?

But also, once you understand this, so yes, there is a demand for this particular skill, but it's very rare that someone would get hired for one particular skill. What other

skills do people need to have as a set in order for them to be able to do this job? So that's the type of research that we're doing.

Universities and colleges in particular use our data very much to understand what have employers in their region and industries of interest, what have they been looking for? What skills have they been demanding? Who are those employers? Of course, we can engage them as well, so from a purely practical standpoint..but what are the things that we should be teaching in order for the program to be relevant? Because in the end, you want your graduates to be able to get into this job market, want to teach them the skills that will make them attractive to those employers.

MAGGIE:

Yeah, and be employable. Thank you so much, Strakh, for your time today.

STRAC:

Thank you very much.

MAGGIE:

That was Strac Ivanov. He is the founder and CEO of Vici