Efficient allocation of human resources in the employment market by analyzing the...

Business, Employment

Search and match employment model

The job market essentially consists of the employer pool, consisting of businesses looking to hire workers and employee pool consisting of workers seeking employment. Analyses of models between these two pools can help determine the present and future states of labor economies and thereby efficient allocation of human resources. A newly tested model namely the search and match, is presented in this essay.

The underlying elements of the search and match model are the cognitive, personal and interpersonal skills of a worker in a labor pool (Lise & Postel-Vinay, 2017). The model is founded on the fact that certain workers have a broad range of skillset, but only a few specific skills are being used. Certain skills a worker possesses can also overlap, wherein the same worker may be qualified to work on more than one type of jobs. The model analyses such skills and if true, can provide the worker with more than one job opportunities. The findings of the analyses from this model revealed that employers primarily preferred interpersonal skills as compared to other skills. Workers however, tend to focus on cognitive skills at the time of training and education. This model also brought forth the fact that, contrary to popular belief, employers do not consider a degree to be an apt measure of a worker's skills or their ability to perform their duties (Gathmann and Schönberg, 2010).

This model could be applied towards studying the parameters that may ultimately lead to increased employment levels in workers with lower

academic credentials. Furthermore, the model can be applied to study any overlap in the skills that potential workers possess, wherein they may be matched with more than one job depending upon their skillsets. Such analyses and the techniques derived from them, can further lead to increase in the overall employment numbers among workers, especially those with lower levels of education. A study by Poletaev and Robinson (2008), showed that it can be expensive for an employer to relocate an employee within an organization, if the skillset possessed by them is too specific.

Thus, this model can be harnessed by prospective employers as well, wherein they can study skillsets of workers prior to hiring them. Eventually, workers with transferable skillsets could then be hired thereby not sending the worker back to the worker pool. The employee can also reap long-term benefits, when it comes to relocating or promoting the worker without the need for an investment in training the worker. Despite the ever-shifting job economy combined with technological advances, the relationship between employers and workers remains an important part of the hiring dynamics. The search and match model can help in identifying overlapping skillsets, that allow for easy relocation of workers while also saving an employer the training costs.