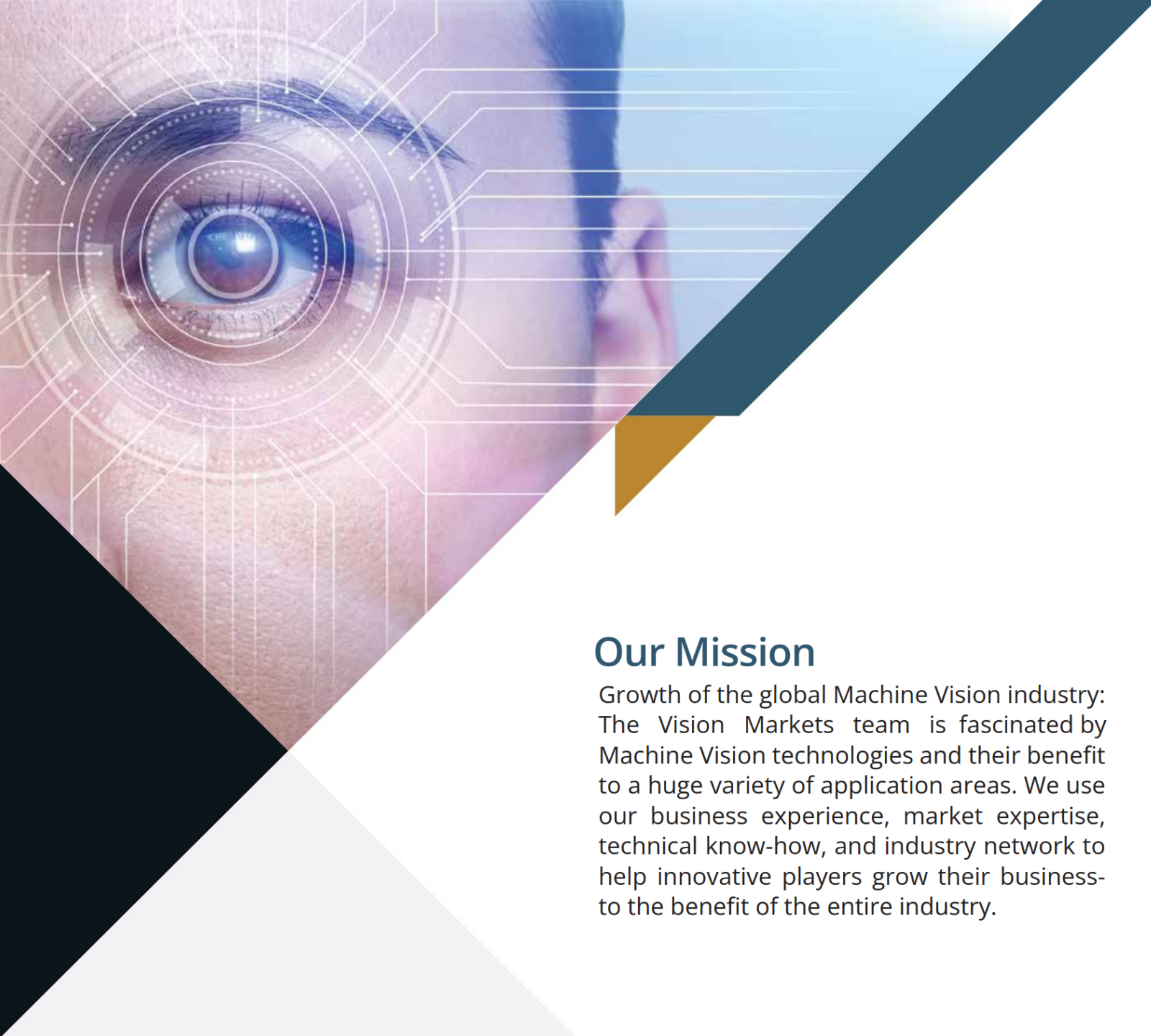




**VISION
MARKETS** 
Your global growth in Machine Vision

How to Hire Successfully in North America

2024-04-11, EPIC HR Work Group,
Gloria Putnam, Ronald Müller



About Us

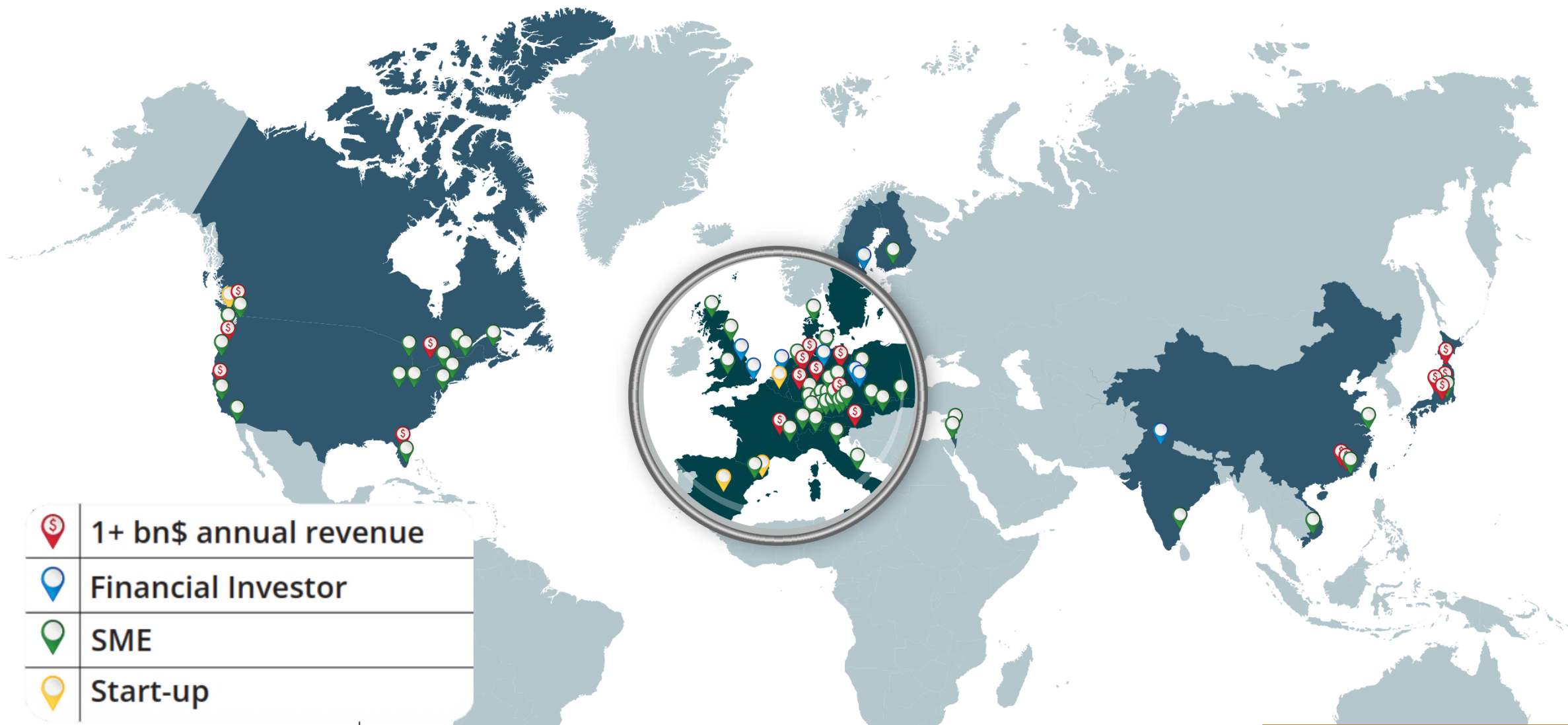
Founded in 2014, Vision Markets is the leading management and marketing consulting firm exclusively dedicated to the global machine vision market. We provide consulting services in four business lines: Strategy, Mergers & Acquisitions, Recruitment, and Marketing.

Our Mission

Growth of the global Machine Vision industry: The Vision Markets team is fascinated by Machine Vision technologies and their benefit to a huge variety of application areas. We use our business experience, market expertise, technical know-how, and industry network to help innovative players grow their business- to the benefit of the entire industry.



Vision Players and Investors Trust our Advice, globally



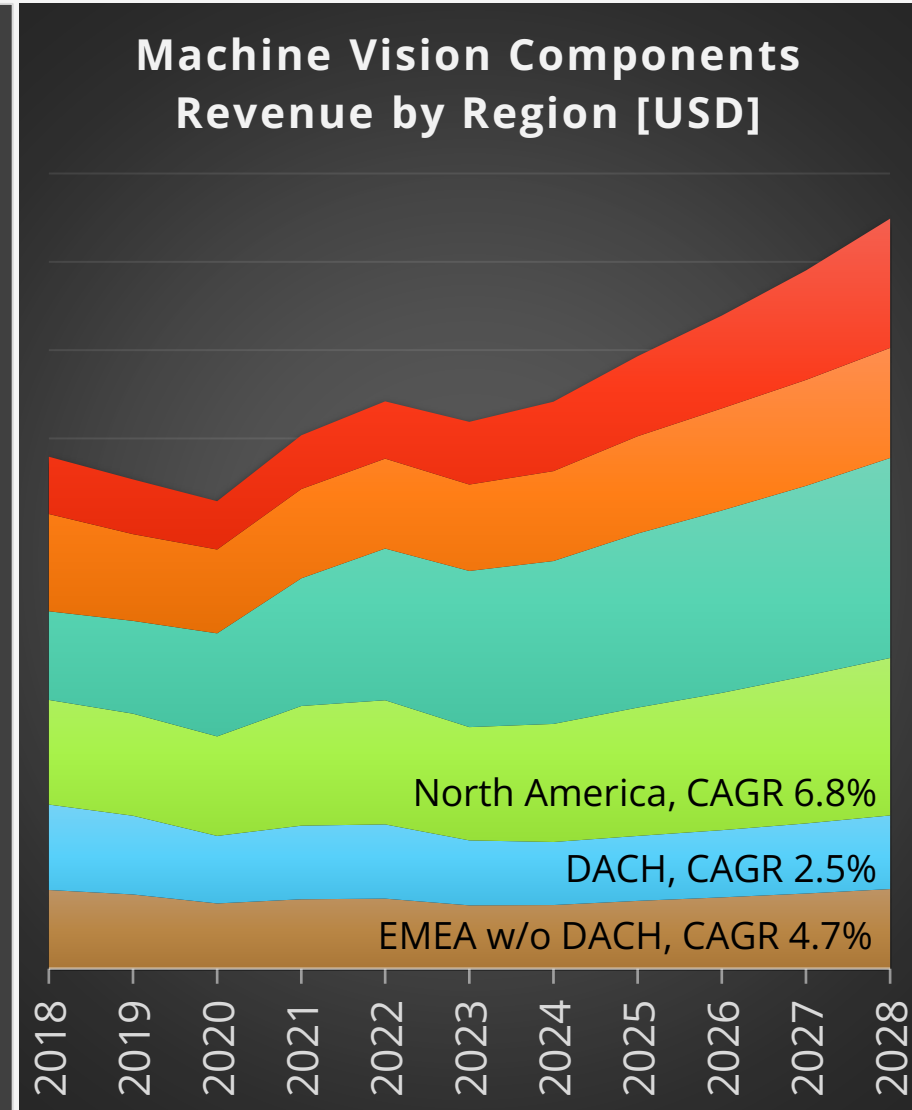
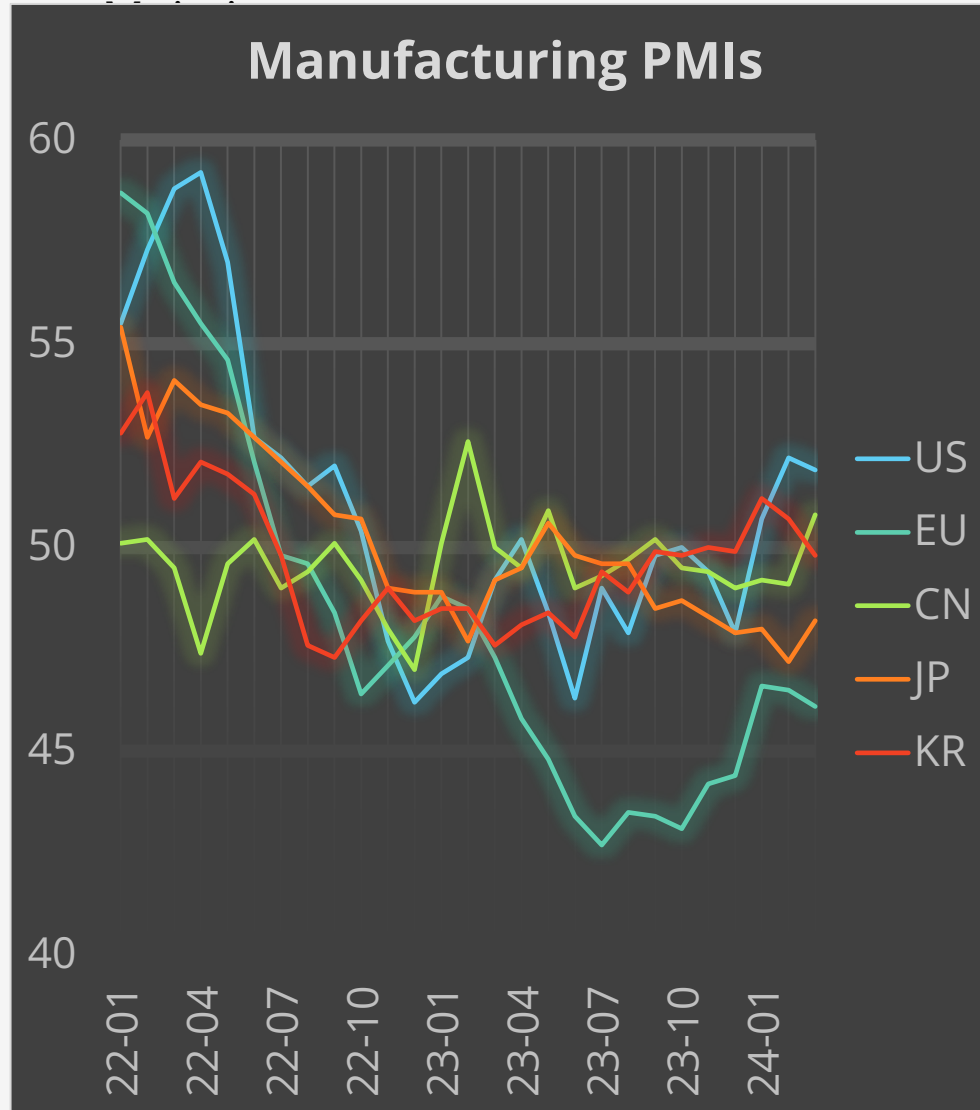
Outline

- ▶ Economic Outlook EU vs. US
- ▶ State of the US Labor Market
- ▶ What to Pay? - Salary Expectations
- ▶ How to Pay? – Designing Employment Agreements
- ▶ How to succeed? – Get it First-Time-Right



US shows stronger long-term growth than the EU driven by more liberal policies and domestic consumption

Economic Outlook EU vs. US

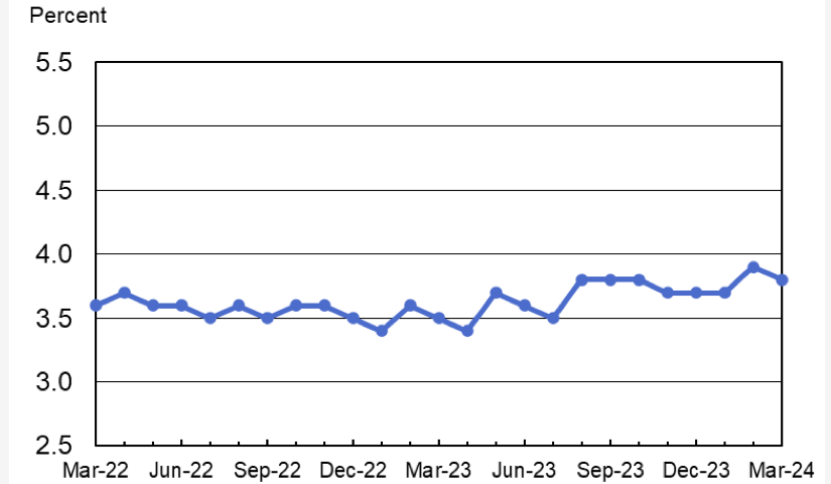


Experienced workers are an underutilized resource in a tight labor market

State of the US Labor Market

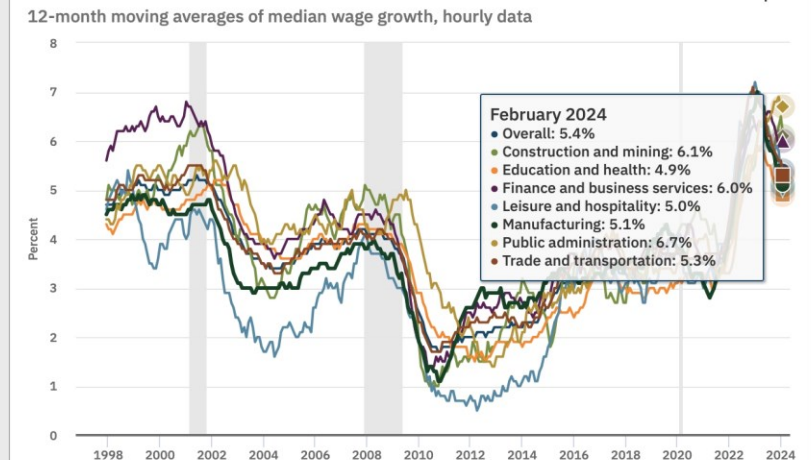
- Unemployment rate steady between 3.5 - 4.0% overall (Mar '24)
 - But only 3% in Manufacturing
- Ratio of job openings to unemployed: 1.375 (Feb '24)
- 90K layoffs (Mar '24), highest since Jan '23, ~14k from tech industry
- Layoffs at larger companies create opportunity for smaller companies to hire experienced people who can immediately contribute
- Combination of high housing prices and mortgage interest rates reduces mobility of job seekers
- Wage growth has been high, but not keeping up with housing prices in many regions
- **By 2025, 25% of US workforce will be over 55**

Chart 1. Unemployment rate, seasonally adjusted, March 2022 – March 2024



<https://www.bls.gov/news.release/pdf/empsit.pdf>

Wage Growth Tracker by Industry



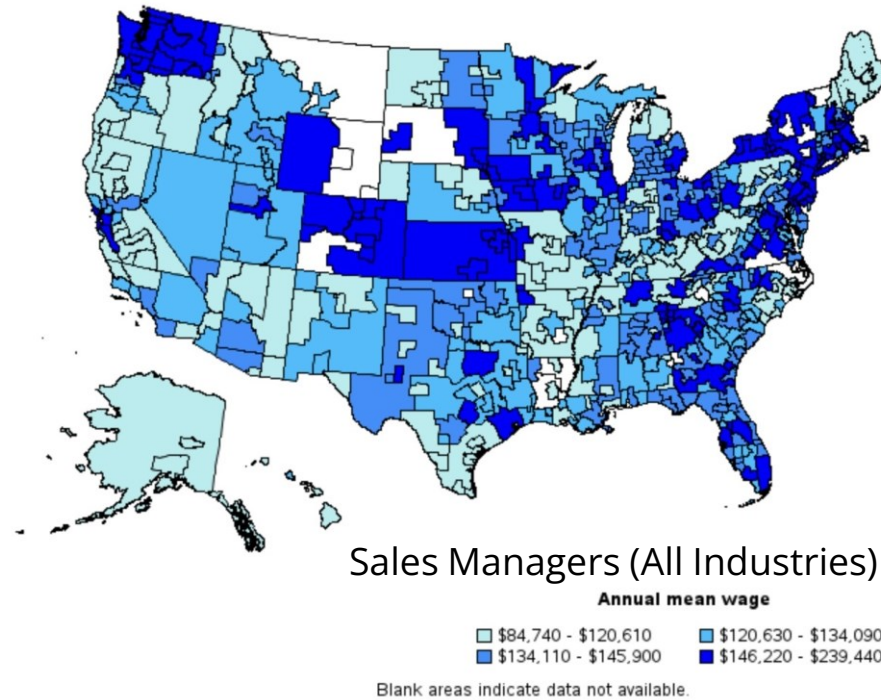
Sources: Current Population Survey, Bureau of Labor Statistics and author's calculations

Federal Reserve Bank of Atlanta

<https://www.bls.gov/oes/current/oes112022.htm#st>

Averages indicate trends, but the details of the labor market, especially the salary expectations, are highly regionalized

What to Pay? – Salary Expectations



Metropolitan areas with the highest employment level in Sales Managers:

Metropolitan area	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
Los Angeles-Long Beach-Anaheim, CA	39,240	6.34	1.67	\$ 66.57	\$ 138,460
New York-Newark-Jersey City, NY-NJ-PA	38,040	4.01	1.06	\$ 115.12	\$ 239,440
Dallas-Fort Worth-Arlington, TX	27,840	7.02	1.85	\$ 71.00	\$ 147,670
Chicago-Naperville-Elgin, IL-IN-WI	25,610	5.68	1.50	\$ 77.91	\$ 162,060
San Francisco-Oakland-Hayward, CA	19,340	7.99	2.11	\$ 89.26	\$ 185,660
Houston-The Woodlands-Sugar Land, TX	18,460	5.81	1.53	\$ 71.18	\$ 148,060
Boston-Cambridge-Nashua, MA-NH	12,100	4.38	1.15	\$ 86.05	\$ 178,990
Atlanta-Sandy Springs-Roswell, GA	11,900	4.23	1.11	\$ 82.71	\$ 172,030
San Jose-Sunnyvale-Santa Clara, CA	10,610	9.29	2.45	\$ 103.17	\$ 214,590
Phoenix-Mesa-Scottsdale, AZ	10,080	4.40	1.16	\$ 69.60	\$ 144,780

In technical industries, the avg salary will be higher.

Technical salaries, whether R&D or Applications, are only slightly lower.

Salary expectation depends more on (1) region and (2) yrs experience than on which job.

Employment law varies by state. Payroll service providers like ADP and Paychex have great online resources for compliance education.

US Federal employment laws, which set the minimum standard in all states, are summarized here:

<https://www.dol.gov/general/aboutdol/majorlaws>

How to Pay? – Designing Employment Agreements

- ▶ Minimum Legal Requirements
 - Set by Federal Law
 - Hourly vs “exempt”
 - Employees vs contractors
 - Individual states have additional requirements
 - Your payroll company will help to keep you compliant
- ▶ Typical Salary Components
 - Base salary (fixed) is expected to cover basic living expenses
 - Sales jobs and sometimes FAE jobs have a variable component – either a % of salary as target, or a straight % of sales
 - R&D jobs sometimes include a fixed bonus for specific goal, or a bonus calculated based on company profits. Not all R&D jobs include a bonus scheme.
 - Managers have more discretion to decide bonus structure and payouts based on performance vs EU (no labor counsels, don’t have to set the program in advance or get approval from anyone).
 - Although not necessarily mandated, professional employees expect health insurance and matching 401k.
 - Remote / hybrid work options are expected now by most in sales (25% of paid workdays are off site for US employees currently).

Federally Mandated Benefits:

- Social Security and Medicare
- Unemployment insurance
- Workers Compensation Insurance
- FMLA protections

<https://www.paychex.com/articles/employee-benefits/employee-benefits-a-company-must-provide>

Pay Transparency Laws

California statewide laws

Upon request, **all employers** must:

- Provide an applicant with the pay scale for the position they applied for (even before the initial interview).
- Provide an employee with the pay scale for their current position.

An employer with 15 or more employees must include the pay scale for a position in any job posting. If the employer engages a third party to announce, post or publish a job posting, the employer must provide the pay scale to the third party. The third party is required to include the pay scale in the job posting.

<https://www.adp.com/resources/pay-transparency.aspx>

Know the local market before you make a job offer to a candidate - it's difficult to recover from a bad first engagement.

How to Succeed? – Get it First-Time-Right

- ▶ Use the Local Terminology in Job Descriptions
 - Especially job title
 - Demonstrate a clear long-term career perspective
- ▶ Propose adequate conditions and salaries
 - Highly regionalized labor market with a very wide variety
 - Do your homework and avoid making an offensive offer
 - If you offer too low, you might not be able to get that dream candidate to continue the discussion
- ▶ Get experts' support
 - Deep understanding of your market with its players, technologies, role requirements
 - Local network in the communities of target candidates
 - Knowledge of the local labor market, regulations, conditions
 - Experts can help you develop a **talent strategy**, not just hire one position
- ▶ Dare to hire experienced candidates
 - Immediately productive
 - Often more loyal / not job hopping
 - Can mentor early career employees and help you create a talent pipeline



Thank you

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