

APRIL 2024



Workforce Optics.

INSIGHTS, NUMBERS & KNOWLEDGE FOR A COMPETITIVE WORKFORCE.

Let us be your resource as you plan budgets, set pay rates, and build and retain an engaged workforce. The enclosed employment trends, hiring challenges, and compensation tips are designed to help you better understand today's employment environment to make informed staffing decisions.



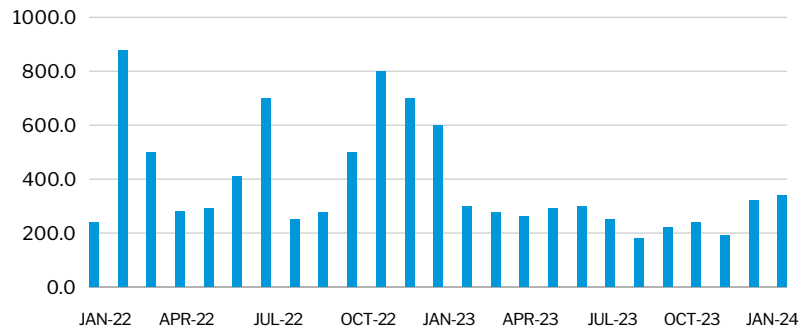
Jobs Update

Employers surpassed economist predictions by adding 353,000 jobs in January. Job growth was widespread across sectors, with notable increases in professional and business services (74,000), health care (70,000), retail trade (45,000), and manufacturing (23,000).

The unemployment rate held steady at 3.7%.

Wage growth was also surprisingly strong in January, with average hourly earnings rising by 0.6% from the previous month—twice the anticipated average. On an annual basis, earnings increased by 4.5%, well above the 4.1% forecast. The gains could in part be attributed to reduced hours, which tend to distort pay. Hours worked fell to 34.1, the lowest since March 2020.

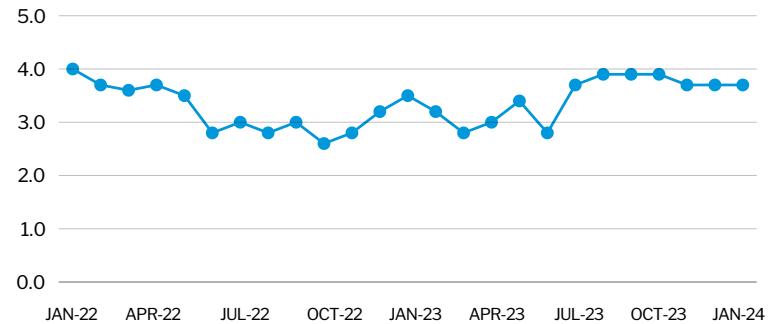
NONFARM PAYROLL EMPLOYMENT OVER-THE-MONTH CHANGE
(Seasonally Adjusted, January 2022- January 2024)



Source: Bureau of Labor Statistics

UNEMPLOYMENT RATE

(Seasonally Adjusted, January 2022- January 2024)



Source: Bureau of Labor Statistics

3.7%

National Unemployment Rate

JANUARY 2024

0.0% MoM Change



6.1 MILLION

Unemployed Persons

JANUARY 2024

0.0% MoM Change



Employment Trends

A RECORD NUMBER OF AMERICANS ARE WORKING PART TIME

More Americans are opting for part-time employment, reaching a historic peak in December with 28.17 million individuals working part-time hours. This includes conventional roles, gig workers, and entrepreneurs. The majority of these individuals willingly chose part-time work, with only 4.2 million doing so out of economic necessity, either due to reduced hours or the inability to secure full-time roles.

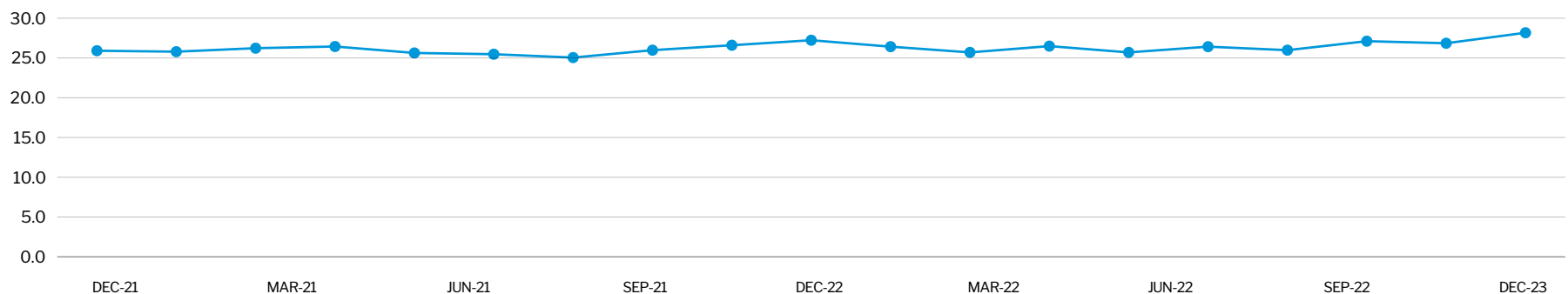
In response to this growing trend, many employers are adjusting their strategies to align with the increased preference for part-time employment. Here are some recommended actions for employers looking to grow and support their part-time workforce:

- Provide flexible scheduling options, allowing employees to determine their work hours within specified limits.
- Explore job-sharing arrangements, where two part-time employees jointly handle responsibilities for a single full-time position.
- Leverage technology to enhance collaboration and communication among team members.
- Extend pro-rated benefits, such as health insurance and retirement plans, to part-time workers. Cultivate an inclusive workplace culture that recognizes and values the contributions of part-time employees.

13.9%
of working
Americans worked
part time in
December 2023, the
largest share since
February 2020
Source: Bureau of
Labor Statistics

NONFARM PAYROLL EMPLOYMENT OVER-THE-MONTH CHANGE

(Seasonally Adjusted, January 2022- January 2024)



Source: Bureau of Labor Statistics

Manufacturing shows signs of growth

“Manufacturers have started the year with a spring in their step.”

– CHRIS WILLIAMSON,
Chief Business Economist at
S&P Global Market Intelligence

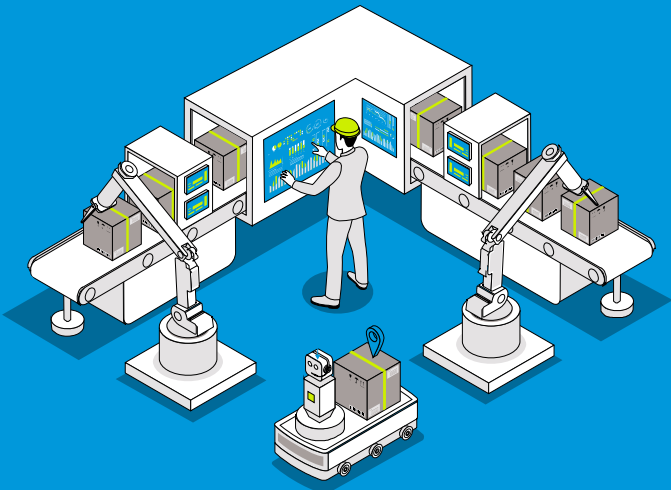
US manufacturing kicked off 2024 with a bang, marking its strongest performance boost since 2022. The seasonally adjusted S&P Global US Manufacturing Purchasing Managers' Index (PMI) posted a reading of 50.7 in January, up from 47.9 in December 2023. A reading above 50 indicates expansion and below 50 shows contraction. January's increase ended a two-month sequence of decline, and it also signaled the strongest improvement in operating conditions since September 2022.

Chris Williamson, S&P Global's chief business economist, credited the spike in business to a jump in demand, especially for consumer goods:

“New orders are rising at a pace not seen for over a year and a half, improving especially sharply for consumer goods as households benefit from signs of an easing in inflation and looser financial conditions.”

The Institute for Supply Management's (ISM) Purchasing Managers' Index also rose, jumping to 49.1% in January from 47.4% in December. A reading above 50% indicates the industry is in economic growth. “I think we're probably in the beginning of a demand growth cycle. We're waking up and we're ready to start running again,” said Timothy Fiore, chair of the ISM's Manufacturing business survey committee.

Things are improving on the employment front, as there was a slight uptick in jobs in January following three months of losses. Despite a decrease in work backlogs, many manufacturers are hiring in anticipation of an increase in orders.



Candidate ghosting is on the rise

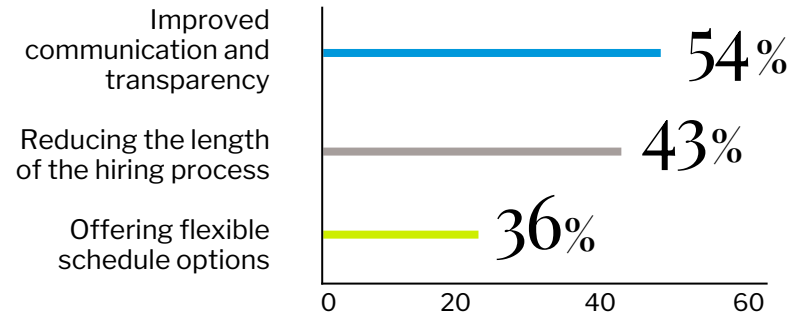
If you feel like the ghosting trend is hitting a new high, you're not alone. According to Indeed, a whopping 77% of employers noticed an increase in candidate ghosting in 2023, up from 54% in 2022 and 45% in 2019.

Indeed's report revealed many reasons why candidates ghost employers, and they don't always align with recruiter assumptions. While many recruiters attribute the phenomenon to competing job offers, the data suggests that job seekers are more concerned with finding the right role with competitive pay.

Compensation (42%), pay transparency (41%), and benefits (38%) top the list of reasons, with communication quickly becoming a rising concern. In 2023, 25% of US job seekers cited poor communication by the recruiter as a reason for ghosting, up from 5% in 2020.

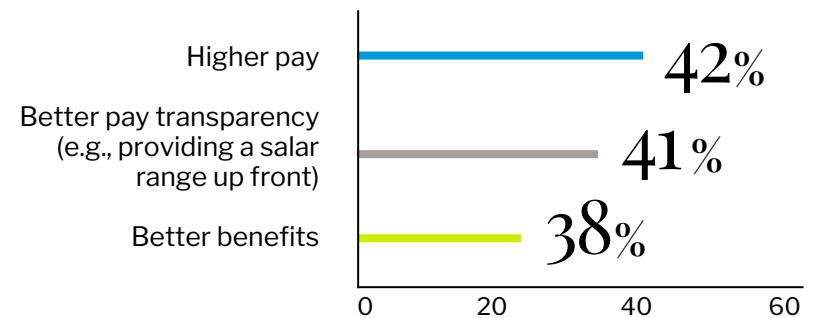
So, what's the takeaway? Better communication matters but tackling ghosting might need more firepower. Offering competitive pay and benefits, and throwing in some pay transparency when talking about roles, could be the secret sauce to dial down the disappearing act.

WHAT US EMPLOYERS THINK WILL PREVENT JOB-SEEKER GHOSTING



Source: Indeed Survey with Censuwide, 2023

WHAT US JOB SEEKERS SAY WOULD PREVENT THEM FROM GHOSTING



Source: Indeed Survey with Censuwide, 2023

**GHOSTING IS NOT
A ONE-WAY STREET**

Ghosting isn't exclusive to candidates; employers are guilty too. More than one in three (35%) job seekers claim an employer did not acknowledge their application. An even sharper rise is seen in the number of job candidates saying they were ghosted after a second- or third-round interview: 40% in 2023, compared to 30% in 2022.

Measuring candidate experience is a top priority—and for good reason









Creating a positive employee experience isn't just a passing trend; it's a strategic move that creates significant results. Studies consistently show that happy employees mean greater productivity. According to Gallup's Global Workplace report, companies with happier employees show 147% higher earnings per share than their competitors.

Crafting effective employee experience strategies is important, but it's not enough to simply implement these strategies. Measuring the impact at each stage of the candidate and employee journey is equally crucial. By assessing outcomes, businesses can make informed decisions that adapt to the evolving needs and expectations of their workforce. Here are three simple ways to begin measuring employee sentiment:

- **Conduct frequent anonymous surveys** to gauge employee satisfaction, work environment, and overall morale. Analyze trends over time to pinpoint areas for improvement.
- **Track participation** in events, professional development, and team collaboration to assess employee engagement and connection with the organization.
- **Conduct insightful exit interviews** and monitor retention rates to identify recurring issues and address challenges affecting the employee experience.

ORGANIZATIONS WITH HIGH-LEVEL ENGAGEMENT

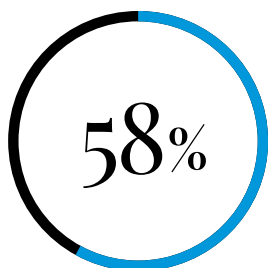
compared to those with low-level engagement

	GREATER REVENUE GROWTH	2.5x ▲
	ANNUAL NET INCOME	2x ▲
	LESS ACCIDENTS	50% ▼
	LESS ABSENCE DAYS	62% ▼
	LOWER EMPLOYEE TURNOVER	40% ▼
	HIGHER NET PROMOTER SCORE	24% ▲
	HIGHER CUSTOMER ADVOCACY	18% ▲
	HIGHER PRODUCTIVITY	18% ▲

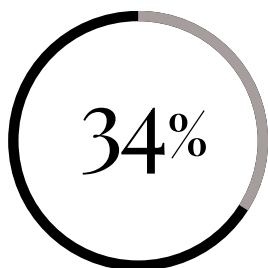
Source: Qualtrics

TOP 3 JOB SEARCH MOTIVATORS

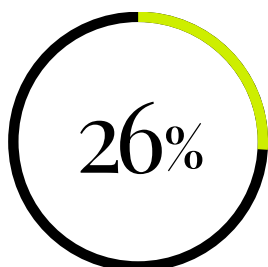
HIGHER PAY



BETTER BENEFITS



FLEXIBLE HOURS



Source: Indeed Survey with The Harris Poll, 2023

71% of workers are open to changing jobs

According to Indeed's 2024 Workforce Insights Report, most workers are either actively looking or willing to switch jobs if they come across a great opportunity. The findings reveal that 71% of workers are open to new opportunities and 69% feel optimistic about their job prospects.

What's driving people to seek new jobs? The top three reasons found by Indeed were higher pay (58%), better benefits (34%), and more flexible hours (26%). A better work-life balance and company culture came in closely behind, with 45% of Generation Z (ages 18-26) saying they feel particularly burned out by work—more than any other generation.

Even though the data paints a picture of optimism, the report highlights some bumps in the job-seeking road. Workers still deal with issues like unclear salary info and complicated application processes, and these challenges are influencing their decisions. Over a third (38%) of workers said they would stop or abandon a job application if the salary range was not disclosed, and one-third (33%) said they would abandon a job application if it had clumsy application functionality.

About Staffmark Group

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Opportunity is everywhere, but it's not always easy to uncover. We partner with you to help you find it.



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