

SEPTEMBER 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.

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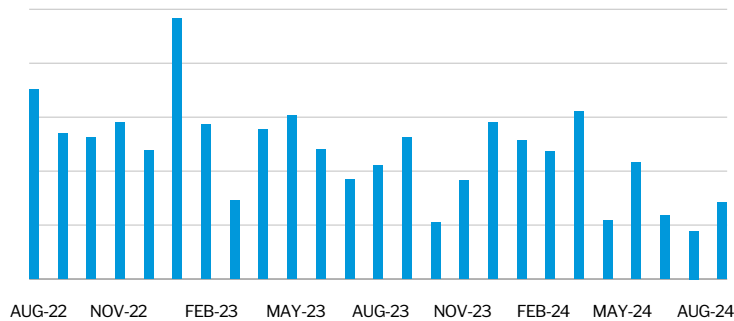
Jobs Update

The US economy added 142,000 jobs in August, falling short of the 165,000 Bloomberg forecast and the 160,000 predicted by Reuters economists. The unemployment rate remained little changed at 4.2% with 7.1 million unemployed individuals, compared to a year ago when the unemployment rate was 3.8% and there were 6.3 million unemployed.

Job growth was broad-based, with leisure and hospitality leading the way by adding 46,000 positions. Health and social assistance followed with 44,100 new jobs, and construction added 34,000 jobs. However, sectors like manufacturing, retail trade, and information saw notable declines.

Annual wage growth rebounded to 3.8% in August and is expected to end the year around 3.6%. Wages for nonsupervisory employees are growing slightly faster at 4.1%, with an anticipated year-end growth rate of 3.8%.

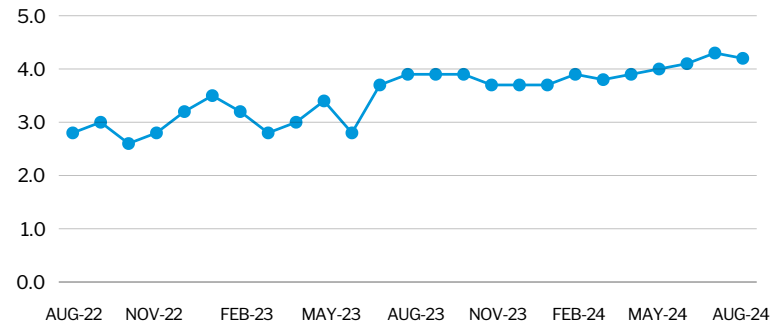
NONFARM PAYROLL EMPLOYMENT OVER-THE-MONTH CHANGE
(Seasonally Adjusted, August 2022- August 2024)



Source: Bureau of Labor Statistics

UNEMPLOYMENT RATE

(Seasonally Adjusted, August 2022- August 2024)



Source: Bureau of Labor Statistics

4.2%

National Unemployment Rate

AUGUST 2024

0.1% MoM Change



7.1 MILLION

Unemployed Persons

AUGUST 2024

60k MoM Change



Job losers and reentrants are driving unemployment

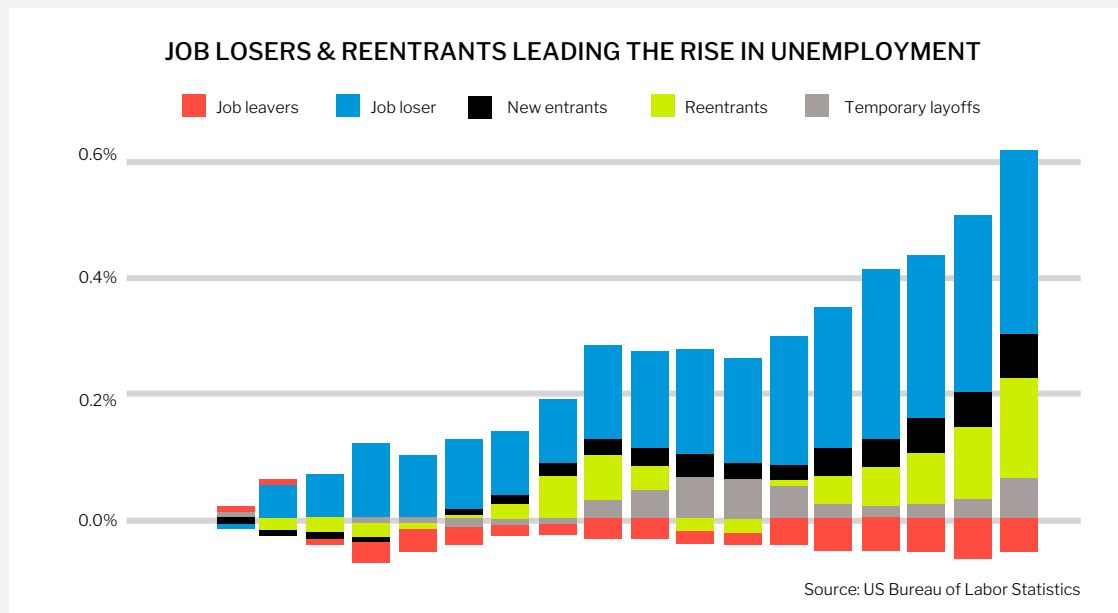
Recent analysis of U.S. unemployment data from the Bureau of Labor Statistics by Indeed reveals that job losers and reentrants are the main drivers behind the increase in unemployment. Since early 2023, these groups have significantly contributed to the rising unemployment rate, which climbed 0.55% from its January 2023 low of 3.5%.

The rise in unemployment among prime-age workers (25-54) who have rejoined the labor force indicates the labor market retains some strength. Job postings remain 13% above pre-pandemic levels, and wage growth remains steady at 3.1% to 3.2% annually. This ongoing wage growth could continue to attract new job seekers, potentially pushing the unemployment rate higher but not due to severe market weaknesses.

However, the conditions for those re-entering the labor force have worsened. While prime-age workers previously found jobs quickly, this rate has been declining since early 2022. The increased unemployment among new entrants suggests that securing employment is becoming more challenging. Overall, the labor market appears strong enough to draw workers in, but less capable of quickly securing jobs for them. Although the unemployment rate may continue to rise if more workers enter unemployment rather than employment, the trends suggest a manageable situation rather than a severe downturn.

20%

The job-finding rate for workers aged 25-54 who were out of the labor force a year prior and are now employed increased to over 22% in 2022 but has since declined to 20%

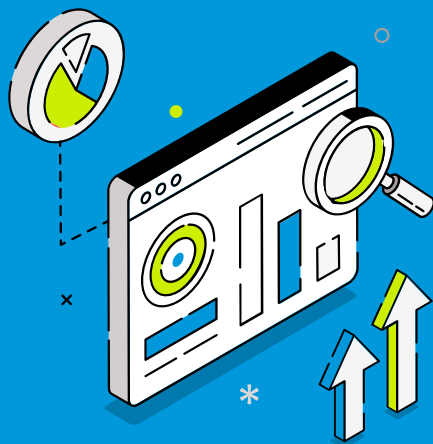


Employment Trends Index™ increases in August

“August’s gains put the index back above the level it averaged in 2019”

– MITCHELL BARNES

Economist at The Conference Board



The Conference Board Employment Trends Index (ETI) saw an increase in August, posting a monthly gain for only the second time this year. In August, the index climbed to 109.04, up from July’s revised figure of 108.71.

“In the context of labor market data that is broadly softening, the improvement in the ETI is a positive indication that the pace of labor market slowdown remains sustainable ahead of September’s Fed meeting, where we expect the interest rate cutting cycle to begin,” said Mitchell Barnes, economist at The Conference Board. “Though some ETI components have weakened, August’s gains put the index back above the level it averaged in 2019 — which at the time was considered a historically hot labor market.”

The ETI’s recent increase aligns with August’s positive Employment Situation Report, which showed healthy payroll expansion and a slight decline in unemployment, with no immediate signs of a rapid downturn. Initial claims for unemployment insurance, an ETI component, have fallen slightly in recent weeks, signaling stability rather than significant layoffs. Employment in temporary help services, another ETI component, remained stable. Metrics such as average weekly hours and the share of involuntary part-time workers did not deteriorate sharply, while household spending and production indicators have remained robust.

However, the ETI also underscores ongoing challenges for jobseekers who are currently unemployed. The percentage of respondents in The Conference Board’s Consumer Confidence Survey who believe “jobs are hard to get” rose to 16.4% in August, up from 11% at the beginning of the year.

One in five of the world's employees experience daily loneliness

Gallup's 2024 State of the Global Workplace report reveals some important challenges facing employees today. While employee engagement remains steady, overall wellbeing has declined, affecting both work and personal life.

Loneliness is a big concern, with 20% of employees feeling lonely every day. Remote workers feel lonelier (25%) compared to those who work on-site (16%). However, work interactions, even if they are virtual, can help reduce loneliness and lift moods. Having meaningful work and good relationships at work can lead to more enjoyment and fewer negative feelings.

Work can also help fight loneliness; employed people generally feel less lonely (20%) compared to those who are unemployed (32%). All forms of social time – including phone, video, texting, etc. – are associated with a better mood, but too much screen time can negatively impact mood. Employees who are disengaged at work often feel as bad or worse than those who are unemployed.

The report also shows that 41% of employees are experiencing high stress, which is made worse by poor management. Stress levels are 60% higher in poorly managed workplaces compared to well-managed ones, and employees under bad management feel about 30% more stressed than those who are unemployed. Good management is essential for improving employee engagement and overall performance.

“People’s mental wellbeing has been worsening. In the last 10 years, the number of people expressing stress, sadness, anxiety, anger or worry has been on the rise, reaching its highest levels since the Gallup surveys began.”

2023-2024 Human Development Report,
United Nations Development Programme

WHAT CAN EMPLOYERS DO?



To tackle wellbeing concerns and boost employee engagement, employers need to offer the right benefits and flexibility. Creating a supportive and high-performing work environment can greatly improve both employee happiness and job performance.

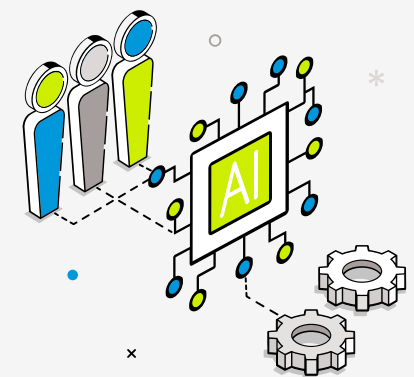
AI adoption in recruitment surges

AI adoption in recruitment has surged, according to iHire's 2024 State of Online Recruiting Report released on August 20. The survey revealed that 14.7% of employers now use AI in their hiring processes, a significant increase from 4.9% in 2023.

Job seekers are also increasingly leveraging AI, with 17.3% using AI tools in 2023 to craft their résumés or cover letters, up from 2.8% the previous year. The iHire report highlights several other key trends in online recruiting:

- **Unqualified Candidates:** A majority of employers (63.3%) identified an influx of unqualified applicants as a major challenge, while 51% cited unresponsive candidates as their biggest issue.
- **External Factors:** Job seekers are more concerned about external factors than employers. About 45.3% of job seekers worry that economic uncertainty will affect their job search or career prospects, compared to 34% of employers who believe the economy will impact their hiring capabilities.
- **Political Discourse:** The report notes that 17.1% of job seekers and 8.7% of employers are concerned about the effects of political discourse in the workplace due to the upcoming US election.
- **Job Board Usage:** A significant majority of companies (68.1%) use job boards for all or most of their hiring, with 34.3% expecting to increase their use in 2025. Similarly, 67.0% of job seekers applied for jobs through job boards in the past year, and 69.7% always visit a company's website before applying for a role they found on a job board.
- **Ghosting:** Over half of candidates (54.7%) cited not receiving feedback from employers, or being ghosted, as a major job search challenge. Additionally, 45.0% believe that this issue will continue to impede their job search in the coming year.

The rise of AI in recruitment highlights a shift toward greater efficiency but also reveals ongoing challenges. As technology advances, balancing innovation with clear communication will be essential to improving the hiring experience for both employers and job seekers.



US to add 6.7 million jobs by 2033

The US is expected to add 6.7 million jobs between 2023 and 2033, bringing total employment to 174.6 million, according to the US Bureau of Labor Statistics (BLS). This represents a 0.4% annual growth rate, which is slower than the 1.3% annual growth rate observed from 2013 to 2023.

Many of the fastest-growing jobs are expected to be in the healthcare and technology sectors. The occupation projected to grow the fastest in the next decade is wind turbine service technicians, with an anticipated growth rate of 60.1%. In the technology sector, jobs such as data scientists and information security analysts are anticipated to see rapid expansion.

The BLS notes the aging population will drive increased demand for caregiving and therapy services due to their higher healthcare needs compared to younger individuals. For example, nurse practitioner positions are forecasted to grow by 46.3% from 2023 to 2033. Physician assistants and physical therapist assistants are also expected to experience significant growth.

174.6m
Projected total
employment by 2033

US Bureau of Labor Statistics

OCCUPATION	PERCENT EMPLOYMENT CHANGES	EMPLOYMENT CHANGE IN THOUSANDS	MEDIAN ANNUAL WAGE
	2023-2033	2023-2033	
Wind turbine service technicians	60.1%	6.8	\$61,770
Solar photovoltaic installers	48.0%	12	\$48,800
Nurse practitioners	46.3%	135.5	\$126,260
Data scientists	36.0%	73.1	\$108,020
Information security analysts	32.7%	59.1	\$120,360
Medical and health services managers	28.5%	160.6	\$110,680
Physician assistants	28.5%	43.7	\$130,020
Computer and information research scientists	25.6%	9.4	\$145,080
Physical therapist assistants	25.4%	27.5	\$64,080
Operations research analysts	23.0%	28.3	\$83,640

About Staffmark Group

[STAFFMARKGROUP.COM](https://www.staffmarkgroup.com)

Staffmark Group is one of the largest staffing companies in the United States and is a portfolio company of RGF Staffing and Recruit Group, renowned for pioneering brands like Indeed and Glassdoor. Harnessing our global strength and innovation, we power your business with the people, flexibility, and data insights you need to succeed in your market.

From the bustling floors of manufacturing facilities to the dynamic environments of technical and professional firms, we offer the widest range of specialized workforce solutions. The expertise of our specialty brands, Advantage Resourcing, Advantage Technical, Advantage xPO, Digital People, Hunter Hamilton, Staffmark, and Pro Staff, ensures the talent and customized solutions to propel your business forward.

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