

AUGUST 2025



Workforce Optics

INSIGHTS, NUMBERS & KNOWLEDGE FOR A COMPETITIVE WORKFORCE

Let Staffmark Group be your guide as you plan teams, set budgets, establish pay rates, and build and retain an engaged workforce. We've aggregated up-to-the-moment jobs data and employment trends to help you gauge the current talent landscape and make informed staffing decisions.

Jobs Update

In July, U.S. employers added only **73,000 nonfarm payroll jobs**, which fell below the 105,000 jobs economists had estimated. Revisions to prior data also showed **weaker-than-reported job gains in May and June**, lowering those totals by a combined 258,000 jobs.

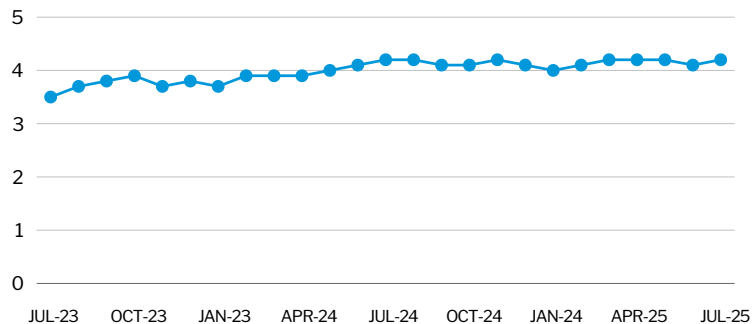
Job growth was led by **health care (+55,000)**, especially in ambulatory services and hospitals, and **social assistance (+18,000)**. In contrast, federal government employment declined by 12,000 and is down 84,000 since January. Other major industries showed little change.

With 7.2 million people unemployed, the **unemployment rate rose slightly to 4.2% from 4.1% in June**. Over the past five months, unemployment has stayed within a fairly tight band of 4.0-4.2%. Labor force participation remained largely unchanged at 62.2%, while the employment-population ratio was 59.6%, both down slightly over the past year.

Average hourly earnings increased by 0.3% to \$36.44, with a **3.9% year-over-year gain**. The average workweek edged up slightly to 34.3 hours.

UNEMPLOYMENT RATE

(Seasonally Adjusted, July 2023 - July 2025)



Source: Bureau of Labor Statistics

4.2%

National Unemployment Rate

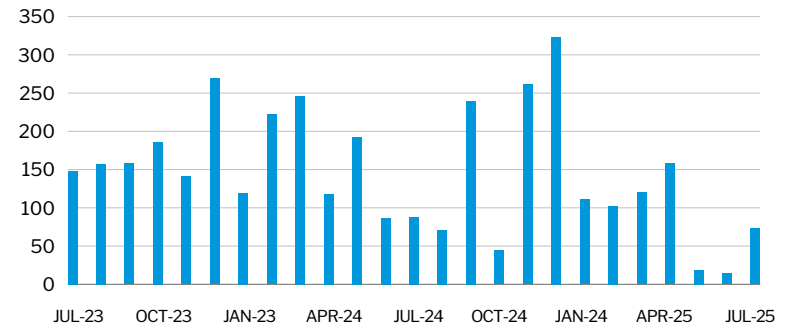
JULY 2025

0.1% MoM Change



NONFARM PAYROLL EMPLOYMENT OVER-THE-MONTH CHANGE

(Seasonally Adjusted, July 2023 - July 2025)



Source: Bureau of Labor Statistics

7.2 MILLION

Unemployed Persons

JULY 2025

221k MoM Change



EMPLOYMENT TRENDS

Quiet Labor Market Fuels Big Questions

The U.S. labor market is increasingly quiet. According to the Bureau of Labor Statistics (BLS), job openings fell to 7.4 million in June from 7.7 million in May. As employers posted fewer openings, workers stayed put:

- **Quit rates** remained unchanged from May to June
- **June layoffs and discharges** did not budge from May's historic 1% low

Is this a summer slowdown? The calm before the storm? A needed break before a roaring return to bustling job market activity? Economists predict that early in the second half of the year, it will be clear whether the job market's resilience will prevail or begin to fail. Stay tuned!

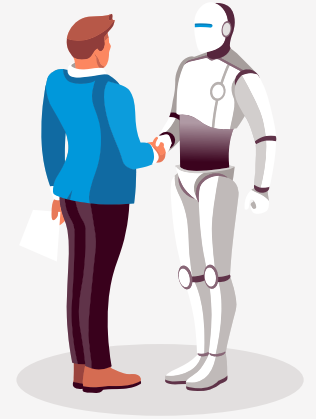
Uncertainty Encourages Worker Autonomy

In today's crowded labor market, job seekers aren't waiting around for the right full-time role. LinkedIn's Economic Graph reveals that more U.S. professionals are transitioning out of traditional 9-to-5 roles and moving into freelance, contract, and self-employed work. Why?

The quest for stability and control is a big part of the story. LinkedIn's Workforce Confidence survey found that job seekers right now are more pessimistic about landing a new role than they were at the peak of the pandemic. Active job seekers today rate their chances of finding or keeping work at just +6 (scale from -100 to +100). In the intense stress of April 2020's Covid shutdowns, that number was +9.

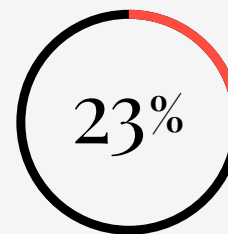
Rather than continuing down a path they have little confidence in, more workers are looking to the more than \$600 billion Gig Economy to reduce uncertainty and take control of their career journeys.

Robot Teammates? We're Not Ready.



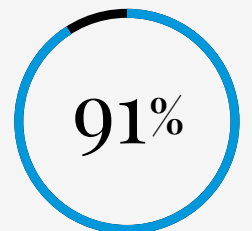
According to Gartner's Labor Market Outlook, businesses are still in the early days of building effective human-machine workplaces. Only 8% of HR leaders report their organizations are ready to manage a blended workforce: humans + AI/machines. Even more striking: nearly a quarter (23%) say they're "not at all" prepared.

But the ambition to get there quickly is widespread: 91% of HR leaders say their talent strategies will focus on achieving this blend within the next three years.



HR leaders who say **they're "not at all" prepared for a blended workforce of humans + AI/machines**

HR leaders who say **their talent strategies will focus on achieving this blend within the next three years**



Sources: BLS, Gartner, LinkedIn

The Pay Boom Is (Mostly) Over

Indeed's Wage Tracker data reports [wage growth has cooled since peaking at 9.4% in January 2022 and is close to falling to pre-pandemic levels](#). In the first half of 2025, growth slowed to 2.9% year over year.

While overall wage growth remains slightly above the rate of inflation, the delta between those two numbers is the narrowest it's been in 12 months. For 57% of workers, paychecks are still growing faster than inflation. However, the remaining 43% are dealing with wages that are not keeping pace with rising prices as inflation ticks upwards.

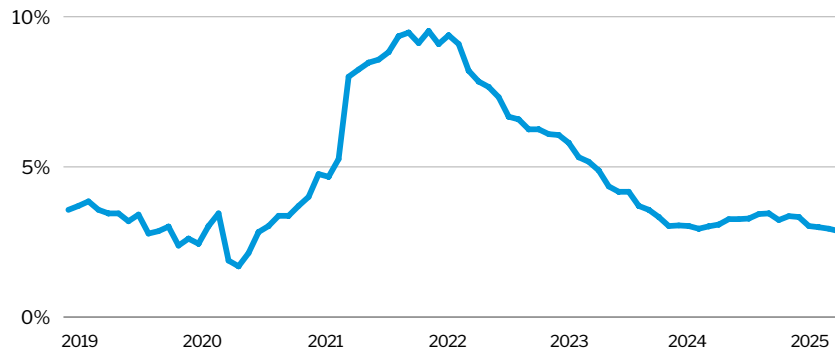
57%

OF WORKER PAYCHECKS
are still growing faster than inflation



POSTED WAGE GROWTH IS SLOWING

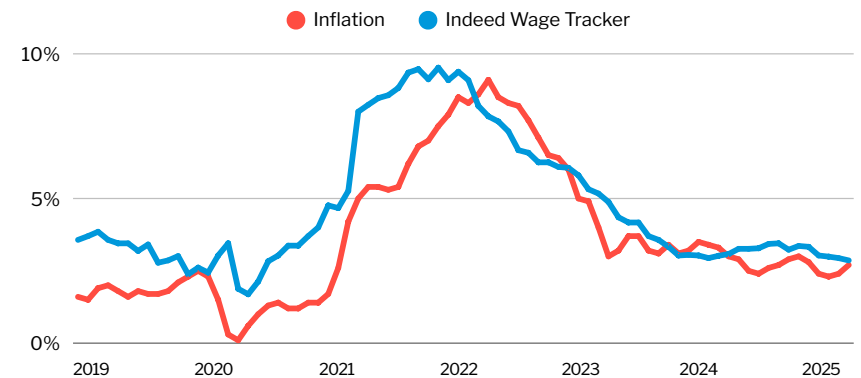
U.S. data Year-over-year growth in posted wages, January 2019 - June 2025



Source: Indeed Wage Tracker

INFLATION IS BEGINNING TO TREND UPWARDS

Year-over-year growth, January 2019 - June 2025



Sources: Indeed Wage Tracker and Consumer Price Index

Manufacturing Contraction Accelerates

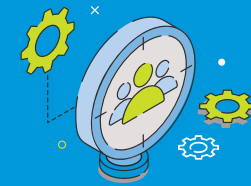
According to the July 2025 Manufacturing ISM® Report On Business®, U.S. manufacturing activity contracted for the fifth consecutive month. The Manufacturing PMI® fell to 48%, down from 49% in June. Declines in the Supplier Deliveries and Employment Indexes played the biggest role in the sector's accelerated contraction.

While overall economic expansion continues, manufacturing continues to contract. The report found 79% of manufacturing's GDP in contraction, up sharply from 46% the previous month.

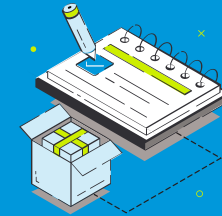
KEY INDICATORS SHOWED MIXED PERFORMANCE:

- New Orders (47.1%) and Backlogs (46.8%) contracted, though at slower rates.
- Production remained in expansion, improving 1.1 percentage points over June to 51.4%.
- Employment fell further into contraction at 43.4%, as companies continue to manage headcounts cautiously.
- Supplier Deliveries quickened (49.3%), indicating faster delivery performance tied to lower customer demand.
- Prices remained in expansion territory at 64.8% but fell 4.9 percentage points to 69.7% from June.
- Inventories (48.9%) and Imports (47.6%) contracted slightly.

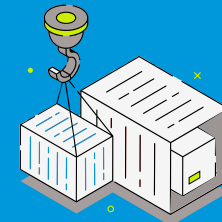
The accelerated contraction in July —compounded by widespread tariff concerns — underscores growing pressure faced by businesses across the U.S. manufacturing sector.



Employment Index hit **43.4%**,
down from 45% in June



New Orders Index rose to **47.1%**,
up from 46.4% in June



New Export Orders Index fell slight
to **46.1%**, from 46.3% in June

About Staffmark Group

STAFFMARKGROUP.COM

Staffmark Group (SMG) 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 Technical, Digital People, Hunter Hamilton, Advantage xPO, Employee Management Services and Staffmark, ensures the talent and customized solutions to propel your business forward.



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