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Workforce Optics

INSIGHTS, NUMBERS & KNOWLEDGE FOR A COMPETITIVE WORKFORCE

Welcome! In this issue of *Workforce Optics*, we pair employment trends from across the marketplace with insights from Staffmark corporate partners at Indeed and Glassdoor. Let Staffmark's resources and workforce expertise help you put it all in perspective.



Workers & Jobseekers Face a Reset

Staffmark is thrilled to welcome two corporate partners to our employment market discussion this month: the Chief Economists of both Indeed and Glassdoor, both part of our Recruit Group family.

From Amazon to General Motors, well-publicized layoffs have captured the attention of the marketplace this fall, and with good reason. On November 6, Challenger, Gray & Christmas reported that U.S.-based employers cut more than 150,000 jobs in October, marking the largest monthly reduction since 2003.

The story, according to two of the nation's leading labor economists, is one of multi-faceted workforce and economic recalibration. In a late October 2025 conversation with *Workforce Optics*, Svenja Gudell, Chief Economist at Indeed, and Daniel Zhao, Chief Economist at Glassdoor, shared their perspectives on how the U.S. labor market is evolving as employers and workers adjust to a cooler economic environment.

COOLING DEMAND, RISING EXPERIENCE PREMIUM

"The market has slowed quite a bit," Gudell said. "For knowledge workers in fields like software development, marketing, HR, and finance, job postings peaked in late 2022 and have now fallen below pre-pandemic levels."

That decline in part, she explained, reflects a natural correction following the surge of hiring and "worker hoarding" during the pandemic. Gudell did note one promising trend for experienced talent: employers are placing greater value on seasoned professionals with years on the job

"We're seeing more employers looking for candidates with five or more years of experience," Gudell said. "Some of that is related to AI, as companies are seeking people who can lead transformation rather than simply adapt to it."

EMPLOYEE CONFIDENCE CREEPS BACK, SLOWLY

Zhao agreed that demand has softened but noted small signs of renewed worker confidence. "Our Employee Confidence Index hit a record low in June but has ticked up just a bit since as some of the worst fears have not come to pass," said Zhao.

ABOUT THE EXPERTS

Svenja Gudell is the Chief Economist at Indeed, where she leads economic research and analysis on global labor market trends. Her work focuses on workforce dynamics, hiring demand, and the intersection of technology and employment.



Daniel Zhao is the Chief Economist at Glassdoor, where he oversees labor market research and workplace analytics. He specializes in employee sentiment, job search behavior, and economic forces shaping the modern workplace.



Even so, hiring remains subdued, leaving many professionals in a holding pattern. “Employees are feeling stuck,” Zhao explained. “Because hiring is low, there are fewer opportunities to move internally or externally. Employees don’t have the leverage to negotiate raises or find a better fit elsewhere.”

That sense of stagnation can be discouraging for workers, but it also creates an opening for employers. Reduction in hiring overall means the market for talent is less competitive. This can be a moment of opportunity for employers in need of key talent and unique skills.

A TALE OF TWO JOB MARKETS

Gudell described today’s labor landscape as “bifurcated.” Those with stable positions are staying put while job seekers are facing longer and longer search cycles. “We used to have two openings for every unemployed worker. Now it’s roughly one-to-one,” she said. “If you’re unemployed, it’s a tough climb to a new job.”

Employers on the other hand have a chance to consider a wider pool of talent with interesting and unique skills. For example, government layoffs earlier this year put an unexpected cohort of highly skilled talent into the job market. Gudell pointed out that some sectors remain bright spots like healthcare and food prep. Logistics also continues to perform strongly. “Job postings in logistics are about 25% above pre-pandemic levels,” Gudell noted.

UNCERTAINTY DEFINES THE DAY

Both economists pointed to uncertainty as the defining feature of the current market. Gudell noted that businesses are contending with unclear policies, tariff changes, and long-term questions about workforce demographics, immigration, and AI. “Add all these things together and it’s easier to see why the market has really frozen for employers.”

Zhao agreed, adding that costs and inflation continue to pressure employers. “Costs are rising, tariffs are shifting, and inflation is still higher than the Fed’s target,” he said. “At the same time, employees want to see stronger wage growth. These competing pressures are shaping how both sides approach the labor market right now.”

Zhao added that the broader economy remains steady, even if uneven. “High-income consumers are still spending, which is helping drive U.S. GDP growth,” he said. “The biggest challenge right now is the uncertainty. Employers are trying to make decisions without a clear view of what comes next.”

THE BOTTOM LINE



Both economists pointed to uncertainty as the defining feature of the current market. Employers are trying to make decisions without a clear view of what comes next. And hiring remains subdued, leaving many professionals in a holding pattern, feeling stuck.

Job Market Stalls as Government Shuts Down

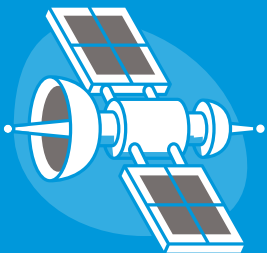
According to Indeed Hiring Lab, **U.S. job postings have fallen to their lowest level since 2021** amid the prolonged federal government shutdown. As of October 31, postings were only 1.7% above pre-pandemic levels, with nearly half of sectors below their 2020 baselines.



Posted wage growth slowed to 2.5% year over year, trailing inflation and eroding real earnings. Tech-heavy states and Washington, D.C., saw the steepest declines due to layoffs and funding disruptions while less-affected states like Idaho and Tennessee fared better.

Google's Data Centers Are Going Galactic

As reported by Semafor, "Google wants to build solar-powered data centers — in space." The tech giant thinks the solution to AI's growing energy crisis might be out of this world. Literally. In a new research paper, the company unveiled "**Project Suncatcher,**" a plan to launch AI chips, called **Tensor Processing Units, into low-Earth orbit where they can run continuously on solar power.**



These satellites would talk to each other like a floating data center in space. With test launches planned for 2027, Google hopes to prove that the cleanest cloud might be one above the clouds.

Sources: [Indeed Hiring Lab, 2025](#); [Semafor \(Nov. 4, 2025\)](#).

Gartner's 2026 Workplace Forecast: **FEWER HIRES, MORE HUMANITY**

At the Gartner HR Symposium/Xpo 2025, Gartner identified **four trends that will reshape talent management in 2026** amid AI disruption and economic uncertainty:

1

ENTRY-LEVEL DECLINE:

Automation is reducing early-career hiring, forcing HR to redesign development and retention programs.

2

INTERNAL RECRUITING RISE:

One-third of recruiting will turn inward as organizations emphasize reskilling and internal mobility.

3

REGRETTABLE RETENTION:

Productivity is falling as underperformance grows, prompting new approaches to performance improvement.

4

AI IN PERFORMANCE MANAGEMENT:

Automation will streamline processes, but managing people must remain human.

Together, these shifts signal a future where HR success hinges on agility, skill redeployment, and maintaining the human core of work.

Source: [Gartner Newsroom 2025](#)

MANUFACTURING AT A GLANCE

October 2025

Manufacturing Sector Contracts Again

U.S. manufacturing activity slipped further in October. This marks the **eighth consecutive month of contraction** according to the latest SM® Manufacturing PMI® Report. The PMI registered 48.7%, down slightly from September's 49.1%, signaling continued strain across the manufacturing sector.



Key indicators, including new orders (49.4%) and production (48.2%), remained in contraction territory, while employment (46%) and inventories (45.8%) also fell as companies managed headcounts and stock levels cautiously. The researchers at ISM found that **for every comment on hiring, there were more than three focused on reducing staff.**

Prices continued to rise, though at a slower pace, and supplier deliveries slowed, hinting at mild demand recovery.

Despite small gains in new and export orders, momentum has yet to translate into sustained growth. Among the top manufacturing industries, only two expanded: food, beverage and tobacco products and transportation equipment.

Manufacturers continue to cite tariffs, weak demand, and global uncertainty as major headwinds. Many reported canceled or delayed orders and lowered year-end expectations, showing that **cautious optimism is harder to find across the U.S. manufacturing landscape.**

Index	Series Index Oct	Series Index Sept	% Point Change	Direction	Rate of Change	Trend* (Months)
Manufacturing PMI®	48.7	49.1	-0.4	Contracting	Faster	8
New Orders	49.4	48.9	+0.5	Contracting	Slower	2
Production	48.2	51.0	-2.8	Contracting	From Growing	1
Employment	46	45.3	+0.7	Contracting	Slower	9
Supplier Deliveries	54.2	52.6	+1.6	Slowing	Faster	3
Inventories	45.8	47.7	-1.9	Contracting	Faster	6
Customers' Inventories	43.9	43.7	+0.2	Too Low	Slower	13
Prices	58	61.9	-3.9	Increasing	Slower	13
Backlog of Orders	47.9	46.2	+1.7	Contracting	Slower	37
New Export Orders	44.5	43.0	+1.5	Contracting	Slower	8
Imports	45.4	44.7	+0.7	Contracting	Slower	7
OVERALL ECONOMY				Growing	Slower	66
MANUFACTURING SECTOR				Contracting	Faster	8

Sources: [Manufacturing ISM® Report On Business®](#) & [Institute of Supply Management 11/03/2025 Newswire Release](#)

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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