DECEMBER 2025

Workforce Optics

INSIGHTS, NUMBERS & KNOWLEDGE FOR A COMPETITIVE WORKFORCE

Welcome! In this issue of *Workforce Optics*, we dive into employment numbers and news with Staffmark corporate partners at Indeed and Glassdoor. Let Staffmark's resources and workforce expertise help you put the it all in perspective.

smg staffmark group | Advantage Technical | digitalpeople | Hunter Hamilton | AdvantagexPO | Employee Management Services | staffmark*

A Confusing Set of Signals

Workforce Optics once again welcomes the Chief Economists of Glassdoor and Indeed to discuss the state of the labor market and the questions shaping worker sentiment as the year closes.

This month, Daniel Zhao of Glassdoor and Svenja Gudell of Indeed describe an economy that is neither stalled nor stable, defined by uneven momentum, sector-level contradictions, and worker uncertainty. Zhao noted that the most recent Buereau of Labor Statistcs employment report, while dated and focused on September, still offers important clues. Payroll gains showed improvement, yet unemployment also ticked up. Taken together, he said, the picture suggests a job market that was beginning to firm up after a sluggish summer and before the government shutdown interrupted that progress.

Zhao emphasized that job gains were not limited to the usual high performers in health care. For the first time in months, they appeared across a wider range of industries. Even so, he cautioned that it is difficult to interpret the present moment with confidence. Data that looks encouraging one month can turn softer the next, leaving employers and workers unsure of the direction the market is heading.

WORKER SENTIMENT DIPS AGAIN

Glassdoor's Employee Confidence Index reflects that uncertainty from the employee perspective. After a modest improvement in September, confidence declined again in October, particularly in sectors sensitive to government activity such as nonprofits, defense, and travel related industries. Zhao attributed much of this confidence drop to the disruption and anxiety surrounding the shutdown.

Entry-level workers remain the least confident of all. Zhao said hiring conditions have left new graduates and early career talent effectively locked out. With fewer opportunities to gain initial experience, and fewer internal openings for advancement, many are discouraged at a stage when optimism is usually high.

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.

JOBS GROW, BUT ONLY IN CERTAIN PLACES

Gudell described the employment data with a similar mix of restraint and caution. Monthly job growth is averaging around 75,000 to 76,000 this year, a figure that covers population growth but falls far below the pace of prior years. Most of that growth is concentrated in leisure and hospitality and in health care, while many other industries remain stagnant.

She noted that this clustering raises long standing concerns about the durability of the recovery. When a handful of sectors carry most of the momentum, the broader labor market can appear healthier than it feels.

A FROZEN MARKET WITH ADDED COMPLICATIONS

Gudell also pointed to a tug of war between labor market fundamentals and broader economic conditions. Consumption remains a primary driver of GDP, but it is increasingly carried by higher income households, a pattern she said cannot be sustained. Rising tariffs could push inflation higher, putting additional pressure on workers whose wage gains may not keep pace.

At the same time, labor shortages persist in industries heavily reliant on immigrant workers, such as construction, agriculture, and childcare. Interest in working in the United States has fallen sharply, complicating hiring for employers who already struggle to find qualified talent.

Both economists agreed that visibility remains limited. The market is neither overheating nor collapsing, but the absence of clear direction keeps workers on edge and employers cautious.

> Most of [the] growth is concentrated in leisure and hospitality and in health care, while many other industries remain stagnant. When a handful of sectors carry most of the momentum, the broader labor market can appear healthier than it feels.
>
> **– SVENJA GUDELL**
> Economist at Indeed

THE BOTTOM LINE

The labor market shows uneven progress—job gains are broadening but remain modest, confidence is slipping, and growth is concentrated in a few sectors. Persistent uncertainty, tariff pressures, and labor shortages signal a fragile recovery with limited visibility ahead.

EMPLOYMENT NEWS OF NOTE

Real wages for new grads are finally rising

According to Glassdoor's *Worklife Trends* 2026 report, early career workers will finally see their real purchasing power rise above 2020 levels in the coming year. Wage growth has nearly caught up with inflation, giving recent grads renewed financial momentum. The report highlights emerging cities like Provo, Boise, and Orlando as leaders in early career earnings growth, creating strong opportunities for young professionals.

Immigration-driven labor opportunities in 2026

According to the Indeed's 2026 *US Jobs & Hiring Trends Report,* shifting immigration dynamics may create meaningful opportunities for U.S. job seekers in several key fields. Tightened immigration policy has reduced the supply of foreign workers in sectors that rely heavily on migrant talent, including construction, hospitality, engineering, and medicine.

Even as employer demand stays strong, fewer international applicants are pursuing roles in the United States. This imbalance could translate into more openings and less competition for domestic workers in high-need fields, especially as employers continue raising visa sponsorship rates to fill critical shortages.

In-office work is increasingly linked to career growth

Glassdoor's Worklife Trends 2026 report shows that while remote and hybrid work still offer strong work-life balance, the clearest paths to advancement are shifting back toward in-office employees. Workers who are physically present are gaining better visibility, stronger connections, and more access to opportunities. As companies rebuild in-person collaboration, employees who return to the office may see faster career momentum and more recognition for their contributions, creating a potential upside during an otherwise challenging labor market.

Sources: Glassdoor Worklife Trends 2026 report, 2026 US Jobs & Hiring Trends Report

U.S. Manufacturing Continues to Contract in November

U.S. manufacturing weakened again in November, marking the ninth straight month of contraction, according to the latest ISM® Manufacturing PMI®. The PMI slipped to 48.2%, down from 48.7% in October, signaling ongoing soft demand and cautious business conditions.

KEY INDICATORS REMAINED WEAK:

- **New Orders:** 47.4% (continued contraction)
- **Production:** 51.4% (returned to expansion)
- **Employment:** 44% (ongoing headcount management)
- **Backlogs:** 44% (limited future demand)
- **Prices:** 58.5% (still elevated)
- **Supplier Deliveries:** 49.3% (faster, reflecting lighter demand)
- **Inventories, Exports & Imports:** All still contracting, but at a slower pace

Despite the downturn in manufacturing, the broader U.S. economy continued its 67-month expansion. Only three major industries—Computer & Electronic Products, Food, Beverage & Tobacco Products, and Machinery—expanded in November, while 11 others remained in contraction. Overall, the sector saw small signs of stabilization, but demand and confidence remain too weak to support a meaningful rebound.

MANUFACTURING AT A GLANCE

November 2025

Index	Series Index Sept	Series Index Aug	% Point Change	Direction	Rate of Change	Trend* (Months)
Manufacturing PMI®	48.2	48.7	-0.5	Contracting	Faster	9
New Orders	47.4	49.4	-2.0	Contracting	Faster	3
Production	51.4	48.2	+3.2	Growing	From Contracting	1
Employment	44.0	46.0	-2.0	Contracting	Faster	10
Supplier Deliveries	49.3	54.2	-4.9	Faster	From Slower	1
Inventories	48.9	45.8	+3.1	Contracting	Slower	7
Customers' Inventories	44.7	43.9	+0.8	Too Low	Slower	14
Prices	58.5	58.0	+0.5	Increasing	Faster	14
Backlog of Orders	44.0	47.9	-3.9	Contracting	Faster	38
New Export Orders	46.2	44.5	+1.7	Contracting	Slower	9
Imports	48.9	45.4	+3.5	Contracting	Slower	8
OVERALL ECONOMY				**Growing**	**Slower**	**67**
MANUFACTURING SECTOR				**Contracting**	**Faster**	**9**

Sources: Manufacturing ISM® Report On Business® & Institute of Supply Management 12/01/2025 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.

smg staffmark group | Advantage Technical | digitalpeople | HUNTER HAMILTON | Advantage xPO | EMPLOYEE MANAGEMENT SERVICES | staffmark*

© Staffmark Group. The research presented in this report was developed from externally available sources and reflects general market trends. Monthly employment and unemployment figures can be volatile, and payroll employment estimates can be subject to revision. Some of the information and data may or may not be relevant.