

Labor Market Analysis

MAY 2023 JOBS REPORT

A Look at April's *Trends*



ASTON CARTER®

Labor Market *Analysis*

Job growth in the labor market continued to defy recession concerns with the addition of 253,000 jobs in April — 230,000 in the private sector and 23,000 in the public sector. The unemployment rate returned to 3.4% to match January's rate, the lowest it's been since the 60s. Job openings continue to soften, dropping to 9.5M job openings, though still 44% higher than pre-pandemic levels.

April's labor force participation rate remained unchanged at 62.6%. The unemployment rate decreased to an extremely low 3.4%, as strong job growth in the labor market coupled with little change in the labor force allowed those looking for work to find it.

April's Market Trends at a Glance

253K
Jobs gained

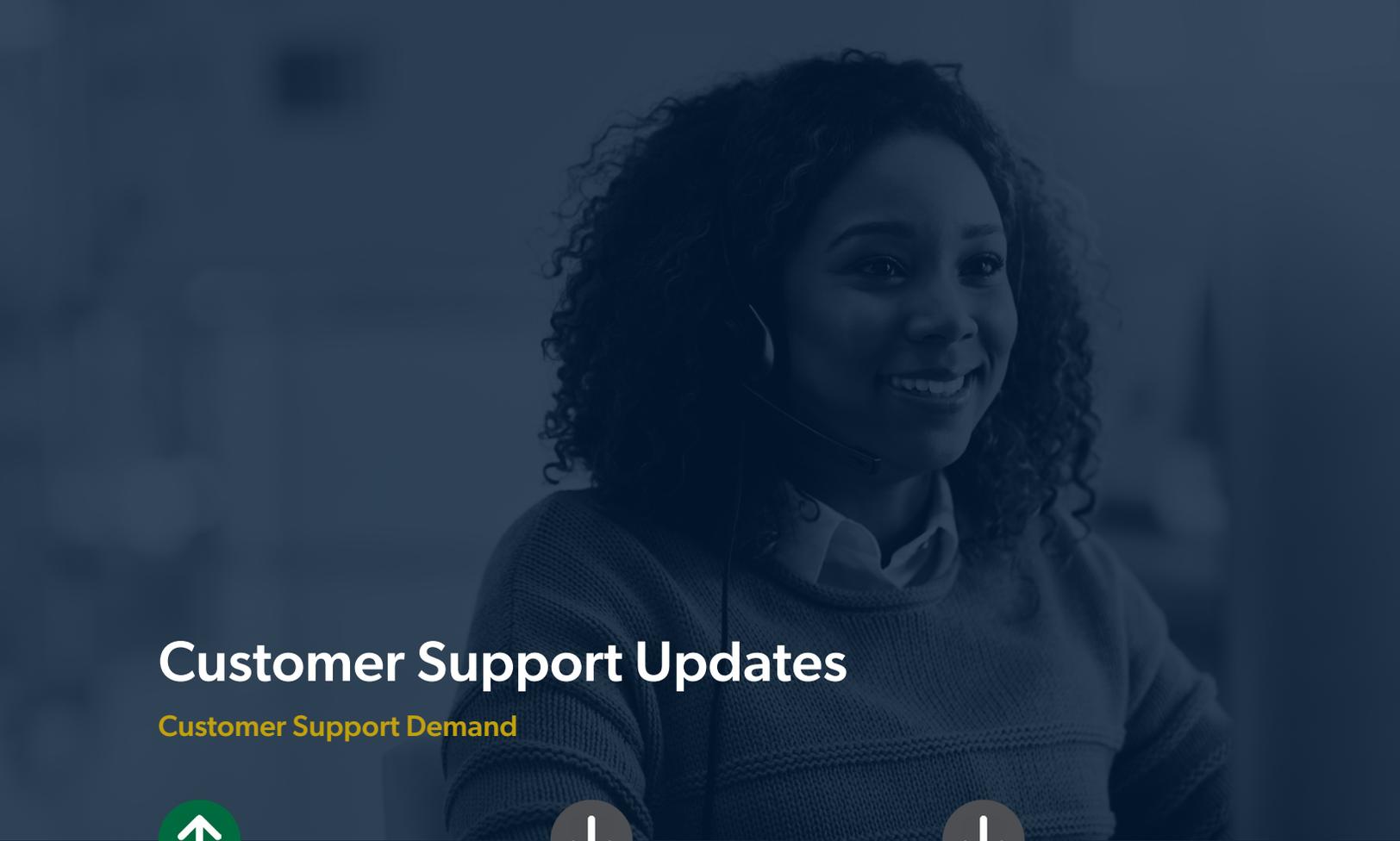
3.4%
Overall
unemployment
rate

0.61
Unemployed
workers per job
opening

3.85M
Workers quit
jobs in
March

1.9%
Unemployment
among degreed
workers

62.6%
Labor force
participation
rate



Customer Support Updates

Customer Support Demand



12%

Month-over-month



40%

Year-over-year



9%

Pre-Pandemic Change

Two large mergers were announced within the customer experience market between Concentrix and Webhelp, as well as Teleperformance and Majorel. Experts believe the top 10 players in customer experience account for about 30% of the total revenue of the market. These companies are expected to take up a large portion of the market share with estimates of 15-20% of the North American customer experience market share.¹

Implementation of artificial intelligence (AI) in the customer support space will likely vary by company and use cases. Some companies see it taking over 20-30% of their volumes in the next three years while other users have already begun to notice its limited use applications for business process services.²

Customer Support Market Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

21%	Customer support specialists	12%	Customer success managers
20%	Customer service associates	11%	Customer service managers
18%	Client service representatives	11%	Customer care representatives
16%	Customer service specialists	7%	Collections specialists
13%	Customer service representatives	5%	Call center representatives

Top Skill Frequency Increase (Percentage Points)

1.0	Administrative support	0.5	Setting appointments
0.8	Invoicing	0.5	Medical records
0.6	Office equipment	0.5	Accounts receivable
0.6	Medicaid	0.5	Auditing
0.5	Medicare	0.5	Healthcare industry knowledge

Top Market Increases MoM

Washington **14%**

Seattle, Tacoma, Bellevue

Texas **13%**

Dallas, Fort Worth, Arlington

California **14%**

Los Angeles, Long Beach, Anaheim

Texas **12%**

Dallas, Fort Worth, Arlington

Illinois, Indiana, Wisconsin **13%**

Chicago, Naperville, Elgin

Colorado **12%**

Denver, Aurora, Lakewood

Michigan **13%**

Detroit, Warren, Dearborn

California **12%**

San Francisco, Oakland, Berkeley

New York, New Jersey, Pennsylvania **13%**

New York, Newark, Jersey City

Texas **10%**

Houston, The Woodlands, Sugarland

Accounting and Finance Updates

Accounting and Finance Demand



12%

Month-over-month



29%

Year-over-year



20%

Pre-Pandemic Change

Amid a continual accountant shortage, the National Association of State Boards of Accountancy (NASBA) recently announced it will allow states to extend the window for completing the CPA Exam by one year³ in an attempt to coordinate with AICPA's pipeline acceleration plan.⁴ To remedy these challenges, AI doesn't appear to be closing the gap in the accountant pipeline anytime soon as Chat GPT recently failed the CPA exam,⁵ scoring under 50% in each of the four sections.

Growing layoffs among banks⁶ has been deemed "right-sizing season" as Bank of America and Morgan Stanley grew their workforce by 34% between January 2020 and September 2022, now consider cutting 3,000 jobs each by the end of June. These cuts come as merger and acquisition volumes slump 50% in Q1 of 2022 and investment-banking activities "remain very subdued." Financial advisers and wealth management, on the other hand, appear to remain priorities within banking.

Accounting and Finance Market Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

15%	Financial manager (general)	12%	Controller (general)
15%	Accountant (general)	11%	Business/Management consultant
15%	Vice president/Director of finance	10%	Accounts payable/Receivable clerk
14%	Financial analyst (general)	10%	Accounting clerk
14%	Business analyst (general)	6%	Tax manager (general)

Top Skill Frequency Increase (Percentage Points)

2.8	Auditing	0.6	Tax management
2.1	Accounting	0.6	Tax research
1.6	Public accounting	0.6	Tax planning
1.3	Financial statements	0.6	Financial management
1.1	Generally accepted accounting principles	0.6	Billing

Top Market Increases MoM

DC, Virginia, Maryland, West Virginia 16%

Washington, Arlington, Alexandria

California 14%

Los Angeles, Long Beach, Anaheim

New York, New Jersey, Pennsylvania 14%

New York, Newark, Jersey City

Texas 13%

Dallas, Fort Worth, Arlington

Washington 14%

Seattle, Tacoma, Bellevue

Illinois, Indiana, Wisconsin 12%

Chicago, Naperville, Elgin

Michigan 14%

Detroit, Warren, Dearborn

California 12%

San Francisco, Oakland, Berkeley

Massachusetts, New Hampshire 14%

Boston, Cambridge, Newton

Minnesota 11%

Minneapolis, St. Paul, Bloomington

Governance, Risk and Compliance Updates

Governance, Risk and Compliance Demand



11%

Month-over-month



34%

Year-over-year



7%

Pre-Pandemic Change

Proposed legislation⁷ by the New York attorney general is seeking jurisdiction to enforce crypto firm's violations of the law, issue subpoenas, impose civil penalties and aims to use the state's role as an industry leader to help set the regulatory agenda nationwide.

The proposed legislation aims to rein in the crypto industry by requiring crypto exchanges to have independent public audits of their financial statements and to implement know-your-customer (KYC) procedures. KYC processes are likely to change with Deloitte utilizing blockchain technology to create unique and reusable digital IDs that have the potential to open new digital marketplaces.⁸

As a whole, the industry is experiencing an increase in return-to-office (RTO) practices. Aston Carter research shows only 9% of all GRC jobs are remote — out of 43,000 total GRC job postings, only 4,000 are remote. Top companies from Amazon⁹ and Google to large banks like JPMorgan¹⁰ and Morgan Stanley¹¹ are implementing either return to office or updated hybrid work schedules.

Governance, Risk and Compliance Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

22%	Client service representative/associate	15%	Project manager (general)
21%	Financial analyst (general)	15%	Business/Management consultant
17%	Compliance manager	14%	Banking branch manager (general)
16%	Financial manager (general)	6%	Compliance officer/analyst
15%	Risk manager	3%	Risk consultant

Top Skill Frequency Increase (Percentage Points)

3.7	Risk management	2.1	Auditing
2.8	Banking	2.1	Finance
2.4	Internal auditing	1.9	Financial statements
2.2	Financial services	1.8	Retail banking
2.1	Accounting	1.7	Bank secrecy act

Top Market Increases MoM

Iowa 25%

Des Moines, West Des Moines

Minnesota, Wisconsin 24%

Minneapolis, St. Paul, Bloomington

DC, Virginia, Maryland, West Virginia 21%

Washington, Arlington, Alexandria

Arizona 18%

Phoenix, Mesa, Chandler

California 15%

Los Angeles, Long beach, Anaheim

New York, New Jersey, Pennsylvania 15%

New York, Newark, Jersey City

Texas 14%

Dallas, Fort Worth, Arlington

Pennsylvania, New Jersey, Delaware 14%

Philadelphia, Camden, Wilmington

California 14%

Sand Francisco, Oakland, Berkeley

Missouri, Illinois 13%

St. Louis

Operations and Administrative Updates

Operations and Administrative Demand



12%

Month-over-month



33%

Year-over-year



3%

Pre-Pandemic Change

Industry Update: Healthcare

Supply chain challenges continue with 88% of businesses facing disruption over the past 12 months, and over 26% facing significant disruption. Staffing shortages were listed as the second largest impact¹² listed by 43% of businesses.

Fifty-six percent of procurement executives invested in their organization's supply chain over the last year, 17% even listed "large" investment increases. Additionally, 40% say they invested in additional workforce.

Industry Update: Insurance

Learning and development retention strategies are likely to drive human resource needs as remnants of the 'Great Resignation' persist.

Global surveys show that 46% of organizations have experienced quiet quitting¹³ over the past 12 months, while 36% of non-managerial employees listed planning to leave¹⁴ their current employer. While pay and benefits topped employer's assumptions of why workers leave, poor work/life balance, lack of career progression and an absence of skills development were the top three reasons listed by candidates.

Although only 34% of chief human resources officers expect employee retention to increase over the next six months, more than 50% actually expect to see hiring increase.¹⁵

Operations and Administrative Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

16%	Scheduler/Operations Coordinator	11%	Office/Administrative assistant (general)
14%	Executive assistant	11%	Office manager (general)
13%	Project manager (general)	10%	Receptionist
12%	Administrative clerk/coordinator	9%	Human resources manager
11%	Human resources specialist	7%	Medical secretary

Top Skill Frequency Increase (Percentage Points)

1.2	Merchandising	0.6	Purchasing
0.9	Procurement	0.6	Inventory control
0.8	Asset protections	0.6	Administrative support
0.7	Inventory management	0.5	Workflow management
0.6	Quality improvement	0.5	Order fulfillment

Top Market Increases MoM

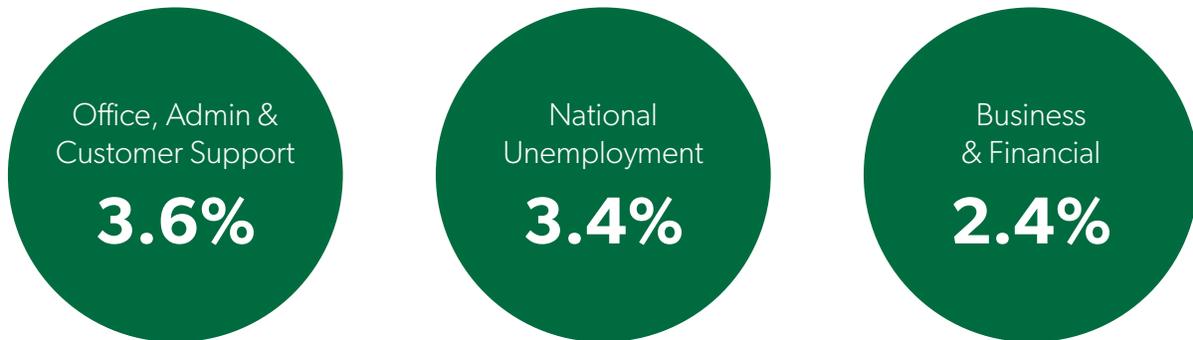
DC, Virginia, Maryland, West Virginia 14% Washington, Arlington, Alexandria	California 12% San Francisco, Oakland, Berkeley
Washington 13% Seattle, Tacoma, Bellevue	Florida 12% Miami, Fort Lauderdale, Pompano Beach
Massachusetts, New Hampshire 13% Boston, Cambridge, Newton	Arizona 11% Phoenix, Mesa, Chandler
Michigan 12% Detroit, Warren, Dearborn	Texas 11% Houston, The Woodlands, Sugar Land
California 12% Los Angeles, Long Beach, Anaheim	New York, New Jersey, Pennsylvania 11% New York, Newark, Jersey City

Unemployment Analysis

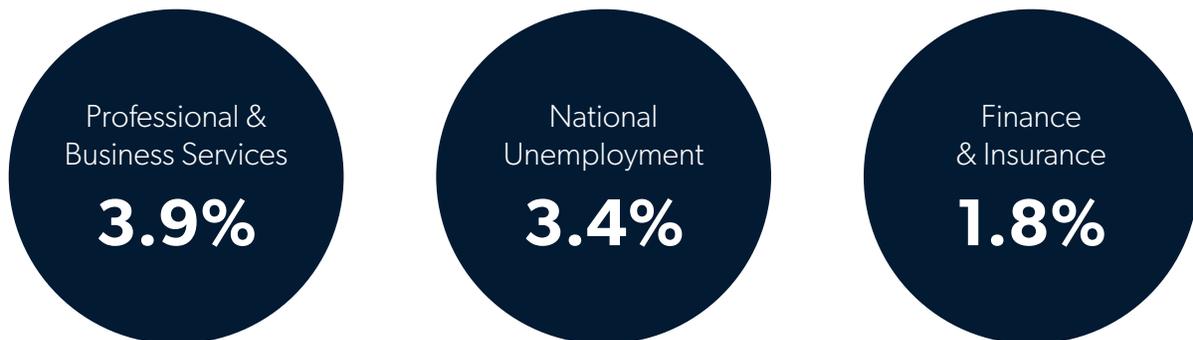
Across the professional services landscape, low unemployment rates within accounting and finance (business and financial), as well as average unemployment rates within the customer support and operations and administrative spaces, continues. With the ever-tightening labor market driving competition for skilled talent — especially for customer support and operations and administrative roles — hiring within these spaces will remain competitive across many industries.

Unemployment by Labor Category

Source: U.S. Bureau of Labor Statistics



Unemployment by Industry



Top Unemployment Markets

California 8.2%

Fresno

Nevada 5.9%

Las Vegas, Henderson, Paradise

California 4.7%

Los Angeles, Long Beach, Anaheim

Texas 4.6%

Houston, The Woodlands, Sugar Land

Pennsylvania 4.5%

Pittsburgh

Connecticut 4.5%

Bridgeport, Stamford, Norwalk

Illinois, Indiana, Wisconsin 4.5%

Chicago, Naperville, Elgin

California 4.5%

Riverside, San Bernardino, Ontario

Ohio 4.4%

Cleveland, Elyria

California 4.4%

Sacramento, Roseville, Folsom

Lowest Unemployment Markets

Tennessee 2.7%

Nashville, Davidson, Murfreesboro, Franklin

Florida 2.6%

Orlando, Kissimmee, Sanford

Florida 2.6%

Tampa, St. Petersburg, Clearwater

Utah 2.5%

Salt Lake City

Florida 2.5%

Jacksonville

Nebraska, Iowa 2.4%

Omaha, Council Bluffs

Florida 2.1%

Miami, Fort Lauderdale, Pompano Beach

Alabama 2.2%

Birmingham, Hoover

Wisconsin 1.9%

Madison

Top Unemployment Declines (Percentage Points)

Maryland -0.3

Baltimore, Columbia, Towson

Oregon, Washington -0.2

Portland, Vancouver, Hillsboro

Michigan -0.1

Detroit, Warren, Dearborn

New Mexico -0.1

Albuquerque

Nebraska, Iowa -0.1

Omaha, Council Bluffs

Arkansas -0.1

Little Rock, North Little Rock, Conway

Washington -0.1

Seattle, Tacoma, Bellevue

Alabama -0.1

Birmingham, Hoover



Conclusion

While the labor market continues to show impressive job growth, the Federal Reserve continues to see success in lowering inflation, potentially bringing a much sought-after soft landing into view.

The annual inflation rate in the U.S. fell to 4.9% in April,¹⁶ the lowest it's been since April 2021, and is cooling faster than expected. Average hourly earnings saw an upward spike at a rate of 0.5%¹⁷ in April, the fastest increase in average hourly earnings in nine months.

Workforce trends show an increase in RTO plans, with only 9% of open positions available for fully remote opportunities. Companies committing to rigid in-office schedules may risk losing top performers and narrowing already lean candidate networks. To address these changes and strike a balance between what's best for a company and what candidates want, many companies are implementing hybrid schedules to continue offering flexibility to employees.

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- ⁹ ["Update from Andy Jassy on return to office plans"](#), Amazon.
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- ¹¹ ["Wall Street Banks Lead Return-to-Office With Labor Day Push"](#), Bloomberg.
- ¹² ["1 in 4 Businesses Invested \\$10M to Fix Supply Chain Disruptions"](#), Supply & Demand Chain Executive.
- ¹³ ["How Upskilling Talent Can Help Solve Employee Disengagement"](#), Aston Carter.
- ¹⁴ ["Less than half of employers think their workforce is 'highly resilient'"](#), Human Resources Director.
- ¹⁵ ["HR leaders taking short-term actions to address economic downturn while anticipating AI future"](#), Benefits Pro.
- ¹⁶ ["United States Inflation Rate"](#), Trading Economics.
- ¹⁷ ["United States Average Hourly Earnings MoM"](#), Trading Economics.

About Aston Carter

Established in 1997, Aston Carter is a workforce solutions company delivering world-class staffing services and innovative offerings to thousands of clients across the globe. Drawing on our deep recruiting expertise and commitment to the talent experience, we extend the capabilities of industry-leading companies by providing solutions to address today's business challenges. Our expansive global footprint enables us to work with agility and deliver excellence when meeting the evolving needs of our clients and talent community. Aston Carter is a company within Allegis Group, a global leader in talent solutions.

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