PUBLIC INSIGHT®

Jobs Market Report – 2023 in Review

February 2024

Key Insights Include:

- Job Postings
- Wages
- Pay Transparency
- Supply/Demand
- Work Schedules
- Worker Sentiment

Introduction

Calendar 2023 was in many ways a reset year for the job market. The market has remained resilient despite the headwinds of inflation, slowing economy, and return to normal work patterns. We still have extremely low unemployment and solid job growth. Yet most people feel as though something is missing. It is hard to conclude that we are back to normal when we really do not know what normal is. What makes it therefore a reset year is the reshaping of what was previously normal work patterns. The agile employer will recognize the shifting landscape and adapt.

Our mission at Public Insight is to take all the noise in this market and turn it into meaningful, actionable insights. Each month we generate a job market report that provides insights into the previous month. Each year we attempt to look back on the previous year and see if there are observable themes. This paper is designed to summarize the big-picture themes from 2023.

There is plenty to be encouraged about as we start out 2024:

- Unemployment is at multi-year lows
- Inflation has moderated and appears to be easing
- Solid job growth is being reported and job openings remain significantly elevated
- Layoffs despite headlines are at multi-year lows

While consumer sentiment has improved in recent months, there is still a sense of pessimism in the air. There are persistent industry segments such as healthcare, professional, and financial where supply and demand is uneven at best. Workplace policies are shifting before our very eyes with no historical baseline. Most people recognize that the mandated work-from-home policies are past us, but the benefits remain attractive to employees.

Market analytics plays a huge role in understanding the pulse of an ever-changing market. Market analytics also serves to level set talent acquisition and employer reputation performance against peers and competitors. It sets the context by which the market can be properly understood and evaluated.

KEY TAKEAWAYS FROM 2023

- Labor market data suggests that employers still have a massive backlog of job openings on a shrinking labor pool, but 2023 posting activity does not back that up.
- Wages overall moderated during 2023, but certain in-demand roles continue to escalate.
- Wage transparency is fully embraced and imputed wages are now disappearing.
- Supply/demand for entry-level jobs is now back to normal, pre-pandemic levels. However, there are still significant imbalances in selected sectors and positions.
- Worker sentiment has declined to levels below the worst point of the pandemic.
- Remote work as a form of workplace is moderating (hybrid) and declining (fully remote). Workplace policies that are fluid require effective communication and systems.

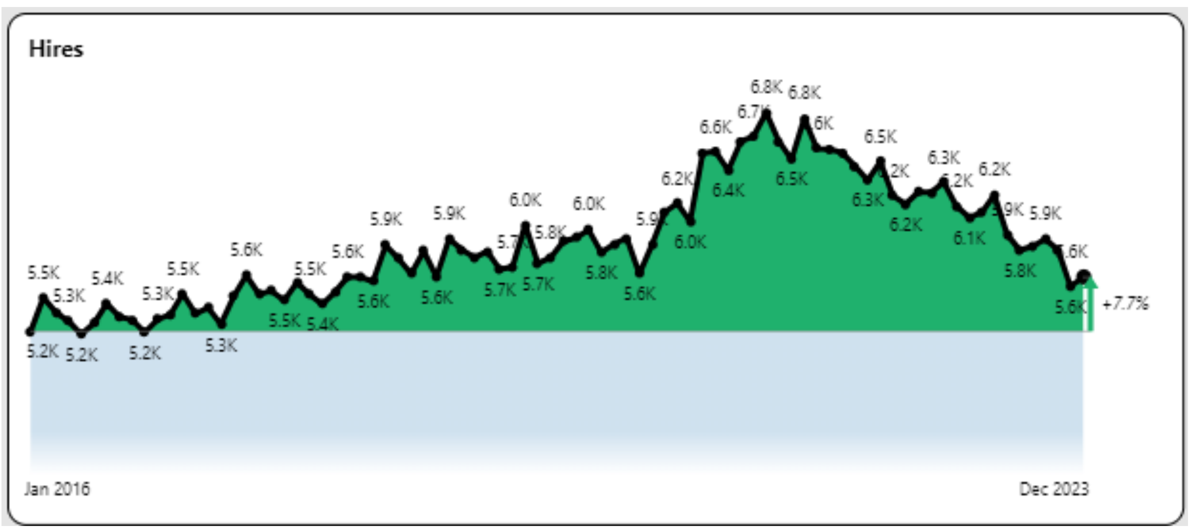
The Labor Market – Moving Towards Normal

BLS Job Openings and Labor Turnover Survey (JOLTS) provides an overview of the labor market. It is summarized in four primary metrics: hires, openings, quits, layoffs and discharges. We pulled back the lens a little further by looking at data going back to 2016 and gaining a historical perspective. We have eliminated 2020 as an outlier year to get the best perspective.

The labor market presents a very conflicting picture. While hires and quits have moderated to historical levels, job openings remain highly elevated. Layoffs have gained the headlines, but as a whole are still historical lows.

Hires Back to Historical Levels

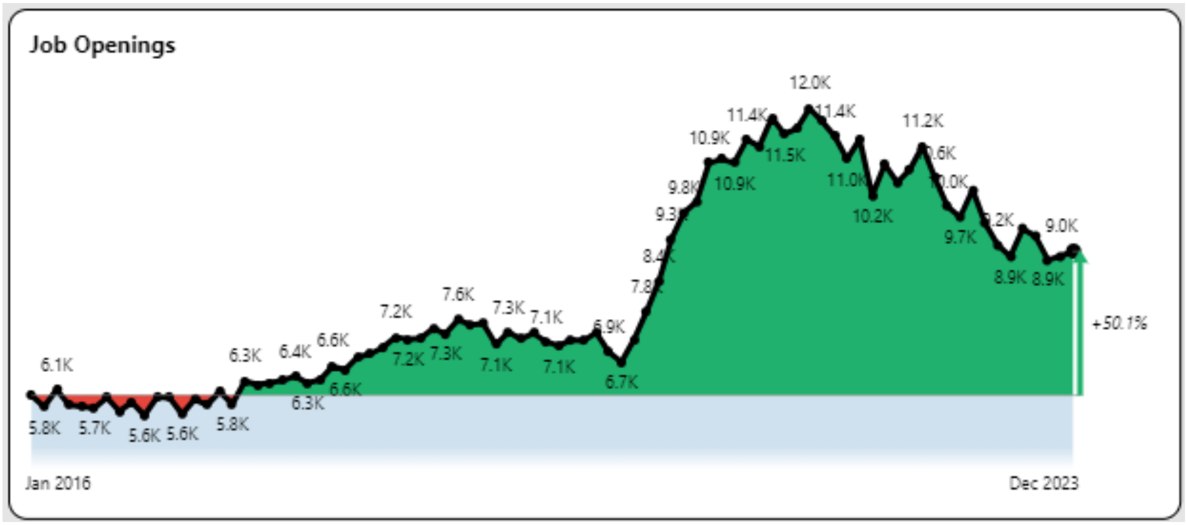
The number of hires has now come full circle back to historical norms. At the end of December hires were 5.6 million jobs, 7.7% above January 2016 levels and comparable to July 2017 levels.



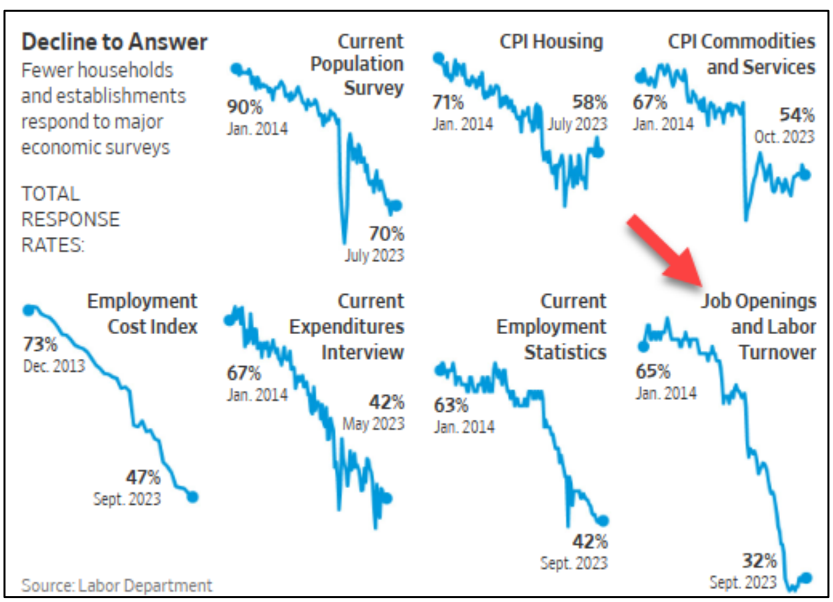
Openings Remain Elevated

Job openings are an enigma. Job openings have steadily declined from the March 2022 peak of 12 million to 9.0 million.

This might otherwise be reason for hand wringing, but the 9.0 million openings are still a 50% premium over 2016 levels and an 18% premium over the previous pre-pandemic high point in 2018.



It is entirely possible that there are data quality issues with the JOLTS data. JOLTS data is based on survey responses. Survey responses have declined over 50% in the past ten years. The JOLTS data in particular is the dubious leader of labor market surveys with a paltry 32% response rate as shown in the following graph summarized from a recent [Wall Street Journal article](#).



The definition of job opening could also result in an overstatement. According to BLS guidelines, a job opening must meet the following criteria to be considered open.

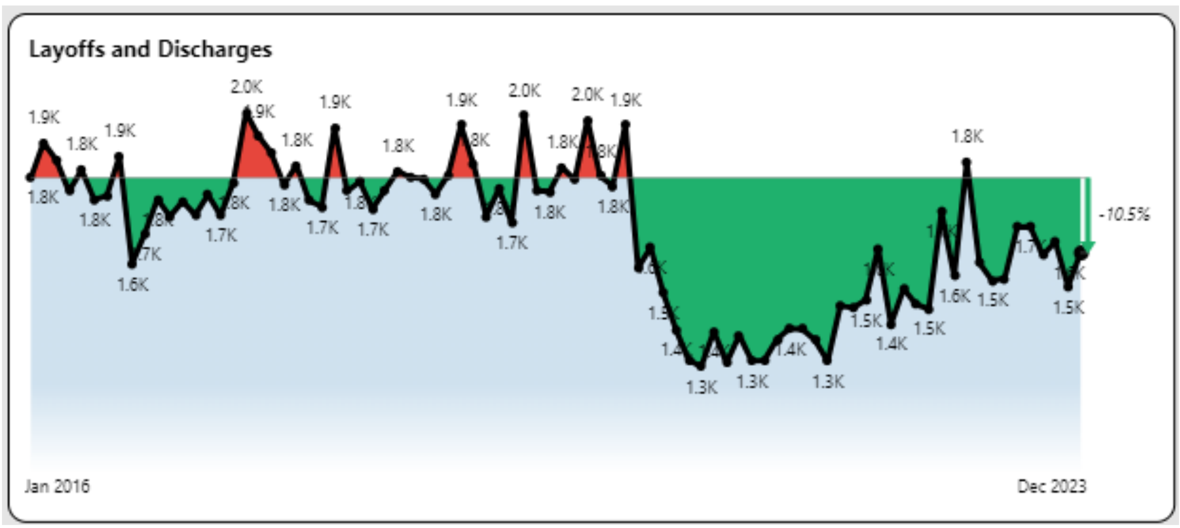
- A specific position exists and there is work available for that position.
- The job could start within 30 days, whether or not the establishment finds a suitable candidate during that time.

- There is active recruiting for workers from outside the establishment location that has the opening.

Active recruiting is the only external validation. The others are internal estimates. Is it possible that employers are overstating their actual needs?

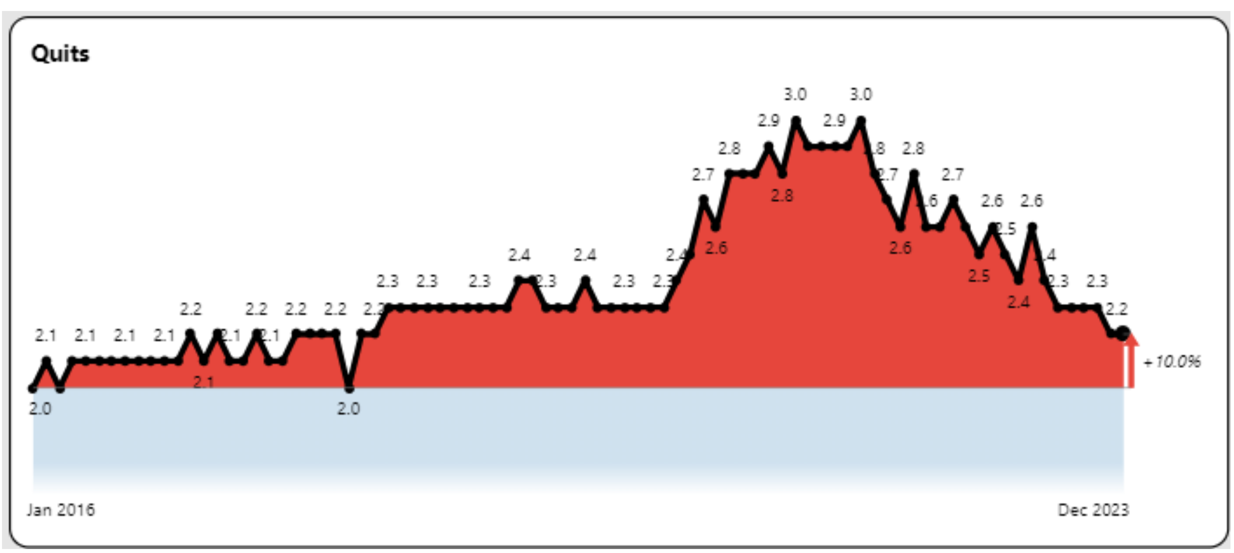
Layoffs and Discharges at Historic Lows

Mass layoffs always headline the news, but the number of layoffs continues to slide lower aside from the monthly blips. The graph below shows this big picture perspective.



Quit Rates Revert to Four-Year Ranges

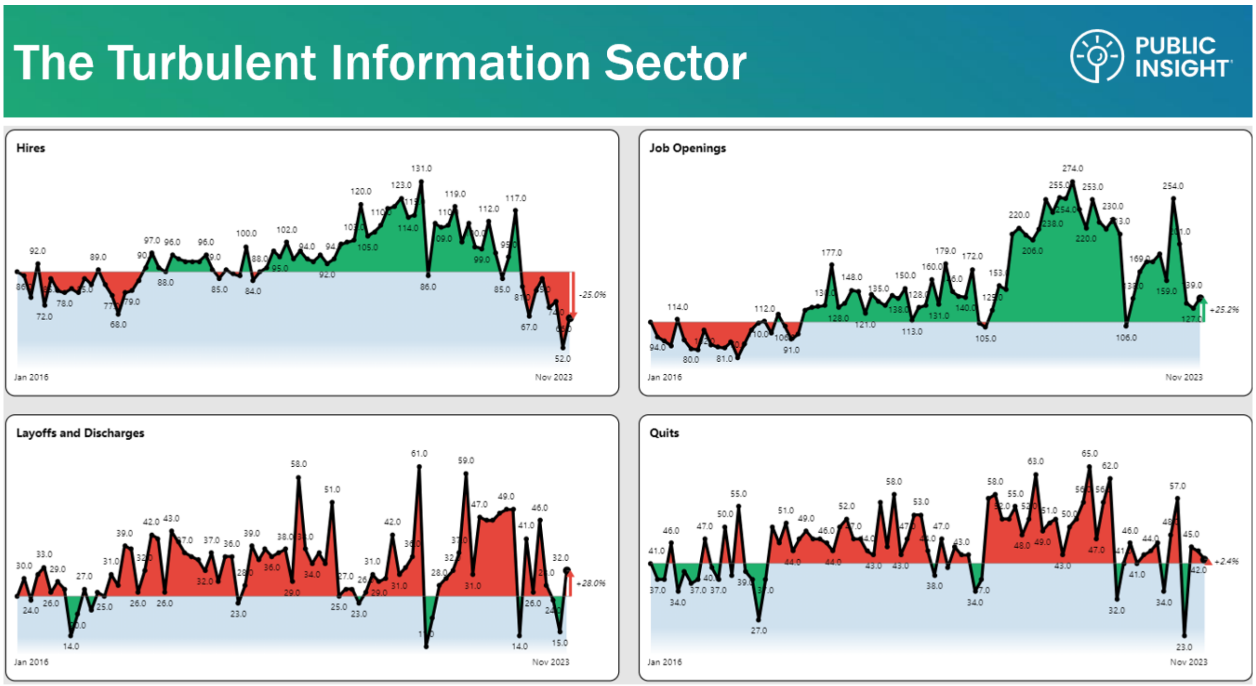
Finally quit rates have reverted back to historic norms after dramatic increases during the pandemic. The current quit rate of 2.2% is in line with 2017-2020 levels.



Industries to Note

The Information Sector Roller Coaster

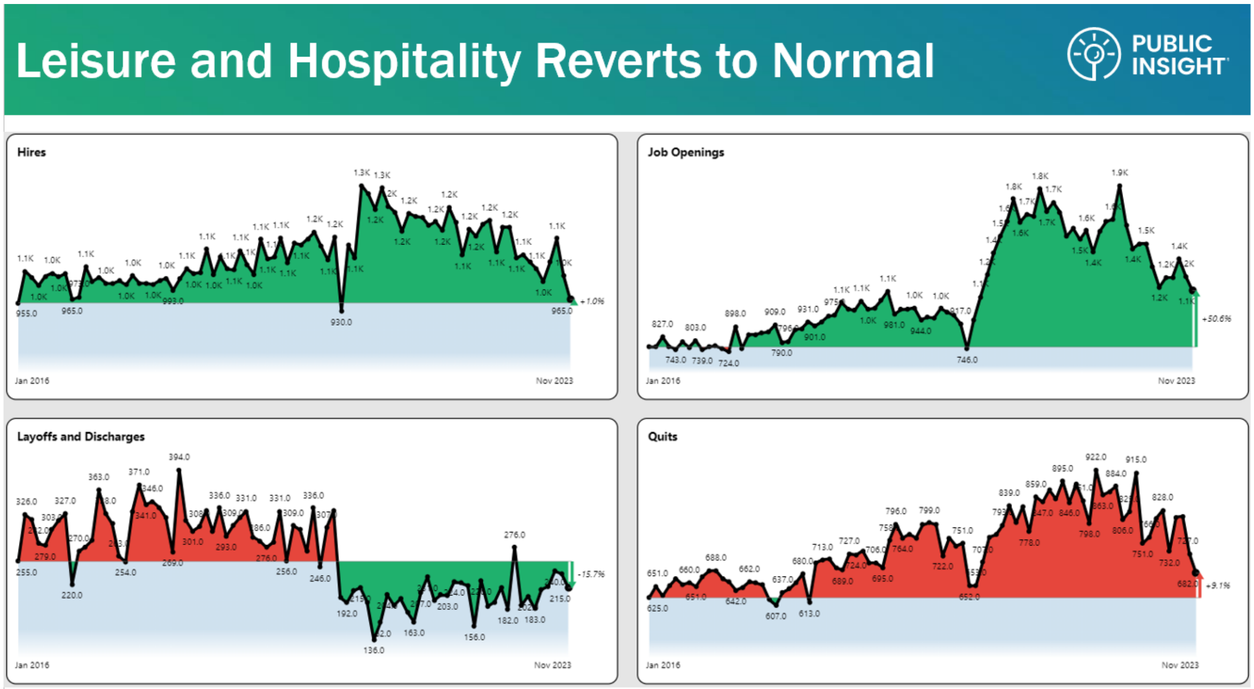
Despite the emergence of technologies like AI, the information sector has been a roller coaster in 2023.



- Hires significantly slowed down towards the end of 2023 as the sector rebounded from what looked like a hiring explosion from January 2021 through the first quarter of 2023.
- Job openings like hires are at a low point of a several year run. Current job openings are less than half of the April 2022 peak.
- Layoffs and discharges and quits follow the path of hires as turnover is driven by opportunity. These changes are highly lumpy.

Leisure and Hospitality Back to the Good Old Days

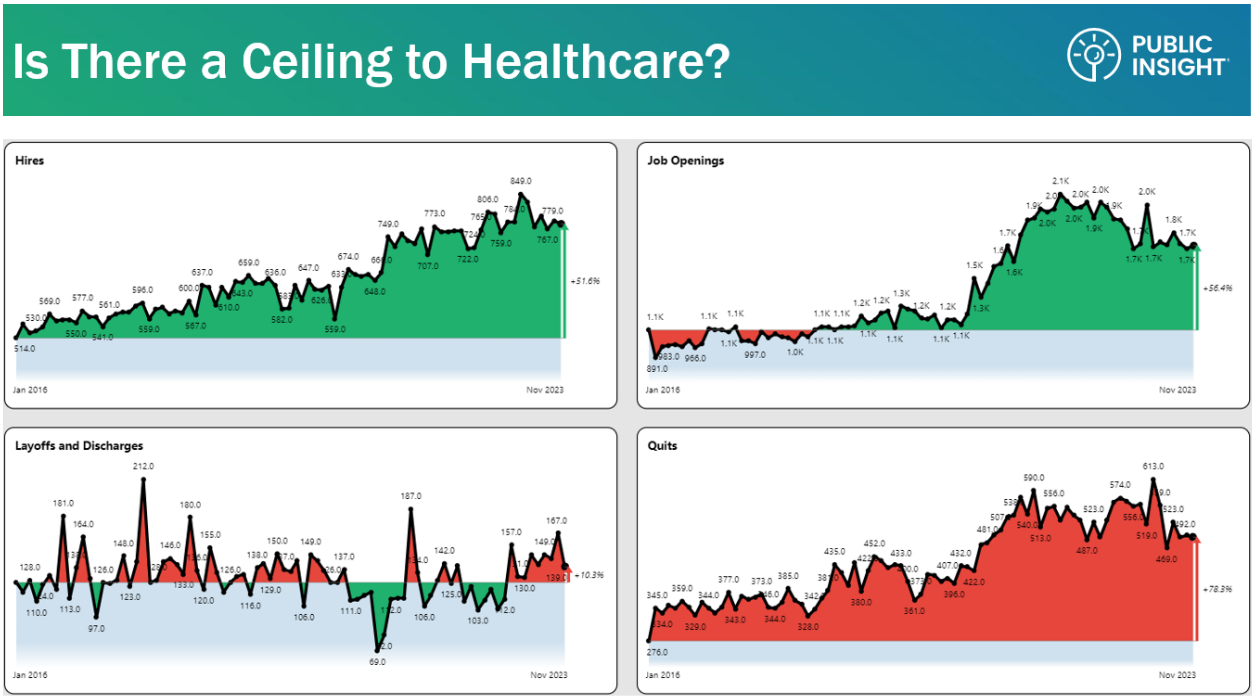
At the height of the pandemic, the Leisure and Hospitality sector was completely upside down. Demand far outstripped supply. Workers quit left and right.



- Hires have come back down to below historical levels as the sector has rightsized after the run-up.
- Job openings remain highly elevated in keeping with the overall published job openings number.
- Layoffs remain near historical lows while quit rates have finally eased to historical levels.

Is There a Ceiling to Healthcare?

Demand for healthcare positions continues to far exceed supply as we discuss in the supply demand section of this whitepaper.

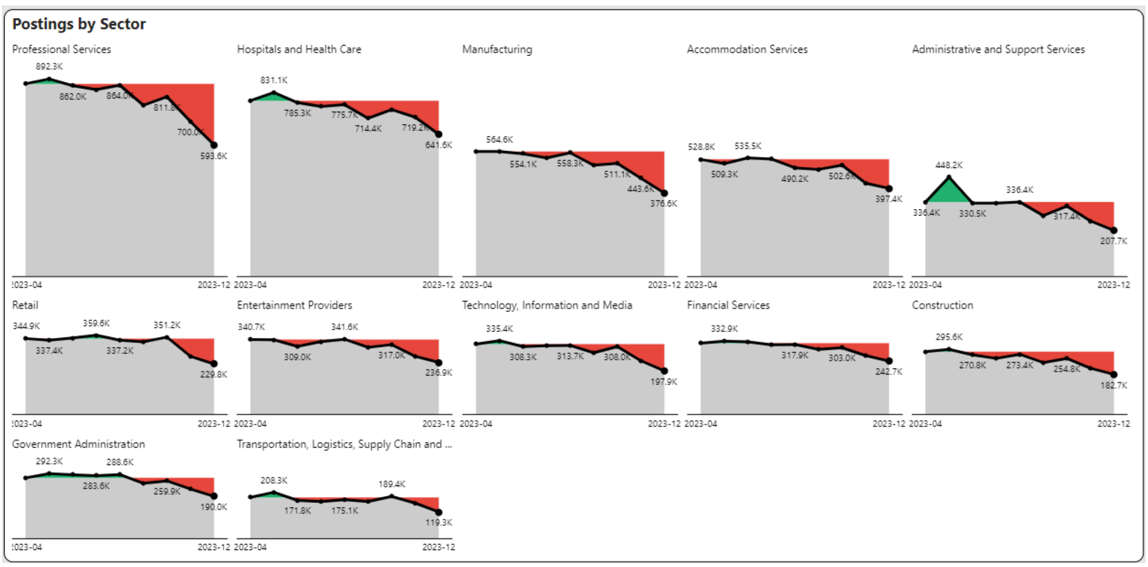


- Hires and openings remain at or near all-time highs.
- Population aging will continue to put stresses on healthcare staffing needs.
- The problem is exacerbated by extremely high quit rates as we see above.

Job Posting Slows During Latter Half of 2023

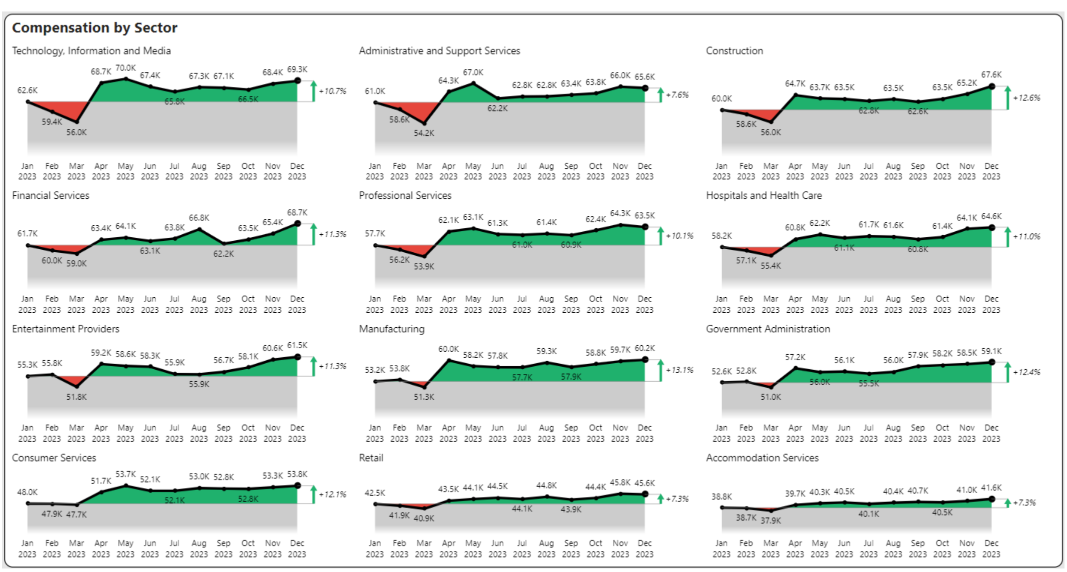
Posting Volume Declines

Posting volumes started out strong in the spring and early summer only to peter out during the second half of 2023. Posting volumes declined on average 15-20% from the prior year. The last nine months are shown below. Posting volumes declined across sectors as shown below with the most notable declines in professional services and technology.



Moderating Compensation

Compensation increases were significant in the first half of 2023 and slowed in the latter part of 2023. Nevertheless rate increases over the course of 2023 ranged from 7-13%.



Job Posting Turnover

Job posting turnover measures how rapidly job postings are turning over. This consists of several key measures:

- Reposting rates indicate the percentage of jobs that are reposted, but do not factor in the number of times a job is reposted.
- Job posting intensity is a measure of how **frequently** a job is posted. For example, if the same job is posted twice, job posting intensity is two.
- Urgency indicators show the postings that are flagged as urgent. This is also a measure of the perceived need to fill the job.
- Estimated fill days (average) are based on the number of days from when an ad is first posted to when it expires or is withdrawn. This metric is most applicable for months or quarters, which is the timeframe that most jobs are estimated to be filled.
- Open days indicates the number of days a job posting has been open.

The following table shows the key posting metric statistics by quarter during 2023. The numbers have been adjusted to reflect consistency and comparability among the quarters.

	2023-Q4	2023-Q3	2023-Q2	2023-Q1
Job Postings	4,946,826	6,144,635	6,368,349	6,553,748
Reposting %	38.49%	38.44%	48.33%	47.72%
Permanently Remote	0.91%	1.05%	1.13%	1.95%
Hybrid Remote	2.11%	1.98%	1.83%	1.97%
Mid Posted Compensation	53,065	52,594	52,024	51,865
% Ads with Compensation	88.34%	87.83%	85.14%	83.97%
Urgent %	15.89%	16.31%	12.11%	12.38%
Filled %	57.32%	88.55%	93.30%	95.63%
Estimated Fill Days Age	62.03	50.42	63.79	62.92
Job Posting Intensity	1.22	1.38	1.56	1.66

REPOSTING RATES AND JOB POSTING INTENSITY

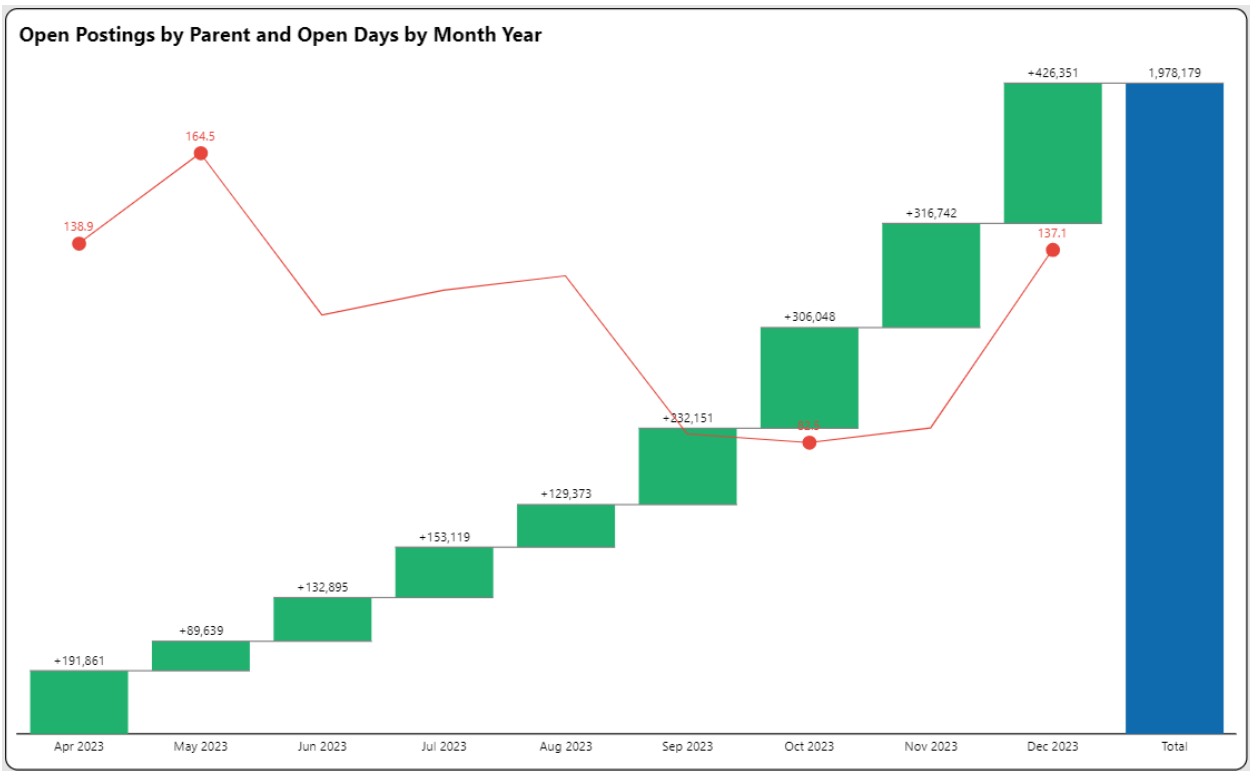
Reposting rates declined considerably in the third quarter and have remained in the 38% range, down from 48% earlier in the year. This reflects the slowing of postings. Further, job posting intensity, a measure of how often a job is posted, also declined.

FILL DAYS

Fill days ranged from 50 to 64 days during 2023. For the trailing 15 months approximately 82% of jobs have been filled.

OPEN DAYS

The age of open postings for the trailing nine months of 2023 is 113 days. In the waterfall chart below, the columns show the composition of open postings whereas the line shows the age of the postings in each month. Keep in mind that this age is based on the first occurrence of the posting or the parent posting. The excess of postings in December for example are older postings as reflected in their 137-day age.



Remote Declines – Flextime Emerges

Remote Eases During 2023

We have seen a steady decline in job postings advertised as remote during 2023. The table below shows the top remote advertised job titles broken down by hybrid and permanent remote. The sparkline graph shows the high and the low point during 2023.

ONET Description	Hybrid	Hybrid Rate	Permanent	Permanent Rate	All Remote	All Postings	Remote	Remote Rate
Remote Sensing Scientists and Technologists	4.30%		62.64%		67.10%	7,043	4,726	
Remote Sensing Technicians	2.66%		62.82%		65.74%	1,576	1,036	
Actuaries	16.31%		24.26%		40.63%	3,121	1,268	
Psychiatrists (2018)	31.34%		4.48%		35.87%	6,231	2,235	
Insurance Underwriters	18.95%		13.39%		32.35%	7,394	2,392	
Biostatisticians	11.32%		20.04%		31.35%	1,078	338	
Database Architects	12.62%		16.34%		28.97%	9,574	2,774	
Computer Systems Engineers/Architects	11.51%		17.33%		28.85%	13,723	3,959	
Engineers, All Other	12.71%		14.95%		27.68%	11,830	3,274	
Loan Officers	3.19%		24.42%		27.64%	60,506	16,721	
Data Scientists	12.30%		14.71%		27.08%	34,190	9,257	
Search Marketing Strategists	12.82%		13.91%		26.80%	12,835	3,440	
Business Intelligence Analysts	13.72%		12.91%		26.64%	9,309	2,480	
Web Developers	12.23%		13.59%		25.84%	6,690	1,729	
Sales Engineers	7.49%		17.62%		25.13%	17,267	4,339	
Poets, Lyricists and Creative Writers	9.80%		15.24%		25.04%	2,316	580	
Web and Digital Interface Designers	10.07%		13.97%		24.11%	16,822	4,055	
Software Developers	9.53%		14.17%		23.73%	145,035	34,418	
Writers and Authors	9.06%		13.92%		23.09%	6,216	1,435	
Regulatory Affairs Managers	13.91%		8.97%		22.93%	6,197	1,421	
Technical Writers	10.54%		12.12%		22.71%	16,565	3,762	
Fundraising Managers	17.88%		4.74%		22.64%	3,379	765	
Web Administrators	13.12%		9.42%		22.55%	2,027	457	
Lawyers	15.97%		6.33%		22.36%	75,329	16,842	
Art Directors	13.35%		8.90%		22.29%	2,158	481	
Climate Change Policy Analysts	15.60%		6.62%		22.22%	1,571	349	
Editors	8.93%		12.95%		21.95%	9,503	2,086	
Clinical Data Managers	10.59%		11.21%		21.83%	7,841	1,712	
Real Estate Brokers	13.93%		7.85%		21.79%	25,829	5,629	
Financial Risk Specialists	12.16%		9.50%		21.68%	10,776	2,336	
Customs and Border Protection Officers	7.16%		14.29%		21.56%	2,611	563	
Total	**10.86%**		**13.61%**		**24.52%**	**683,345**	**167,542**	

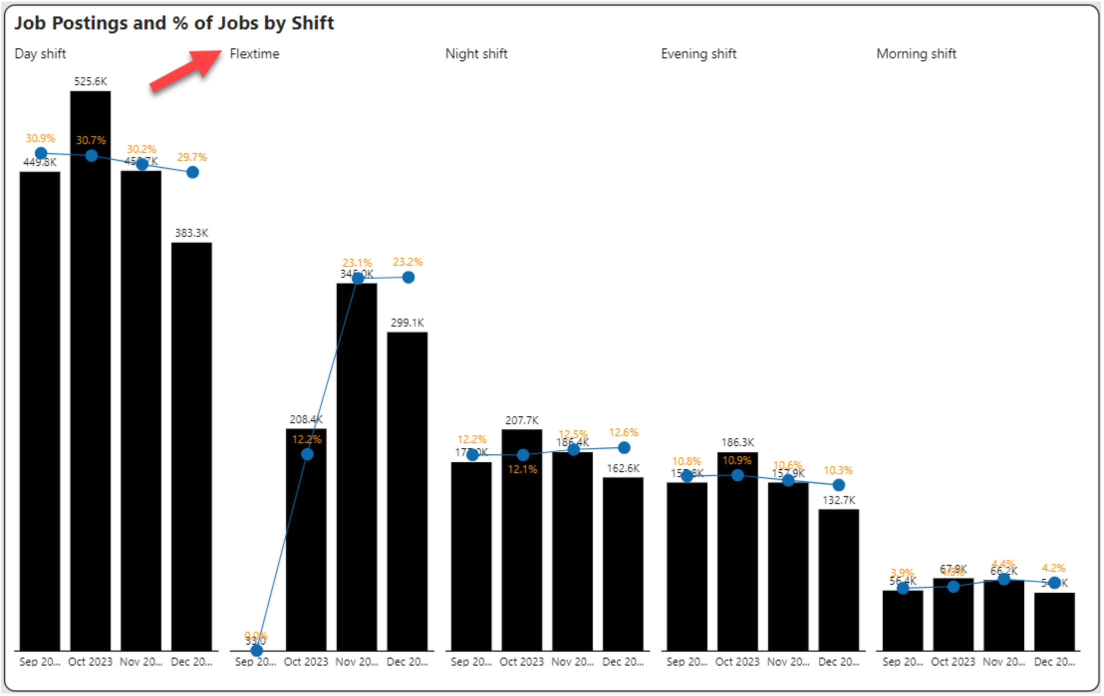
Hybrid remote continues to be the prevalent form of advertised remote work. But this trend is moderating. Permanent remote (or all remote) has been in a free-fall. Most of these job titles saw their lowest percentage of postings in December.

Workers clearly want remote work. It was ultra convenient to be able to stop work, go to a kid's game or take the dog for a walk. However, many employers across the market require their workers to be on site. Further, employers are increasing mandating in-office participation to improve collaboration and team building. The ultimate compromise is in flex time.

Emergence of Flextime

At the end of 2023 we noticed the emergence of flextime as a highly advertised form of work schedule and benefit. Indeed® removed it from the bowels of the position description and put it front and center.

Employers are advertising flextime or flexible work scheduling in **one out of four** postings. To put this in its perspective, this is second to day shifts as the most published form of schedule as shown below.

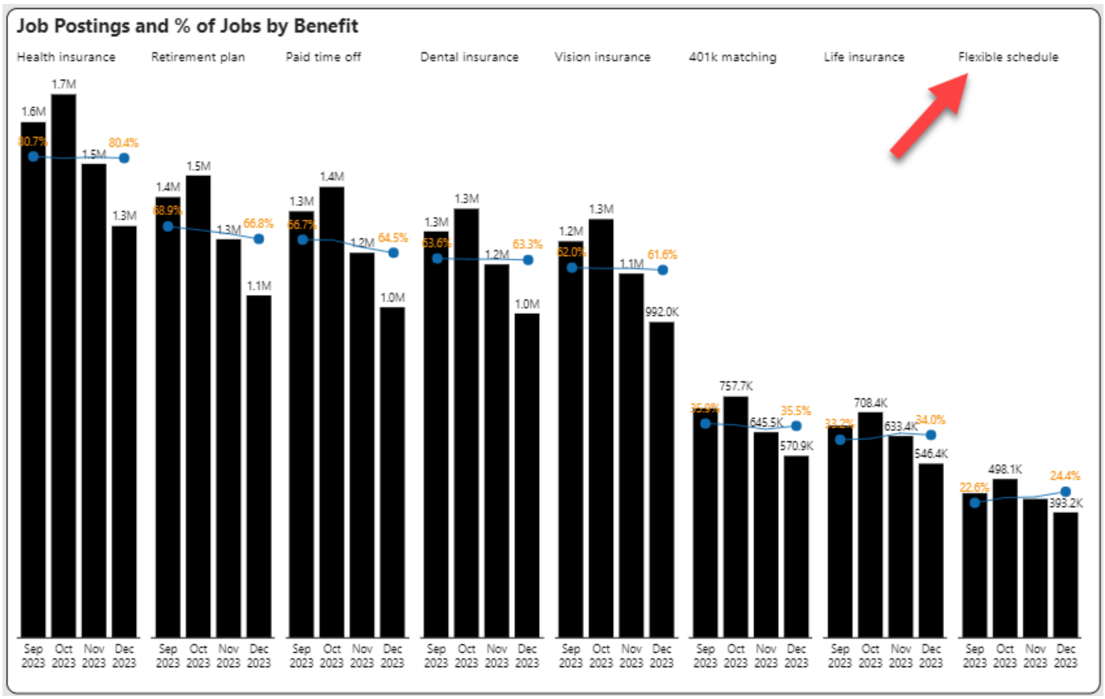


This rate exceeds evening and morning shifts in its prevalence. Flextime is defined in Indeed as a working schedule with a flexible set of starting and ending hours. Whereas a traditional schedule is from 9 a.m. to 5 p.m. per day, a flex-time schedule allows employees to arrive, for example, at 8:30 a.m. one day and 10 a.m. the next. Employees with flex time schedules work the same number of hours as those with a traditional work schedule.

Flextime requires strong scheduling systems and coordination. The benefit of flextime is that it can apply to many more types of jobs such as health care and retail. Workers have grown accustomed to work-life balance and now expect it.

FLEXTIME AS A BENEFIT

In addition to flextime showing up as an advertised shift/schedule, it has now emerged in the top ten as an advertised benefit as shown below. One in four jobs are now advertising flexible scheduling as a benefit.

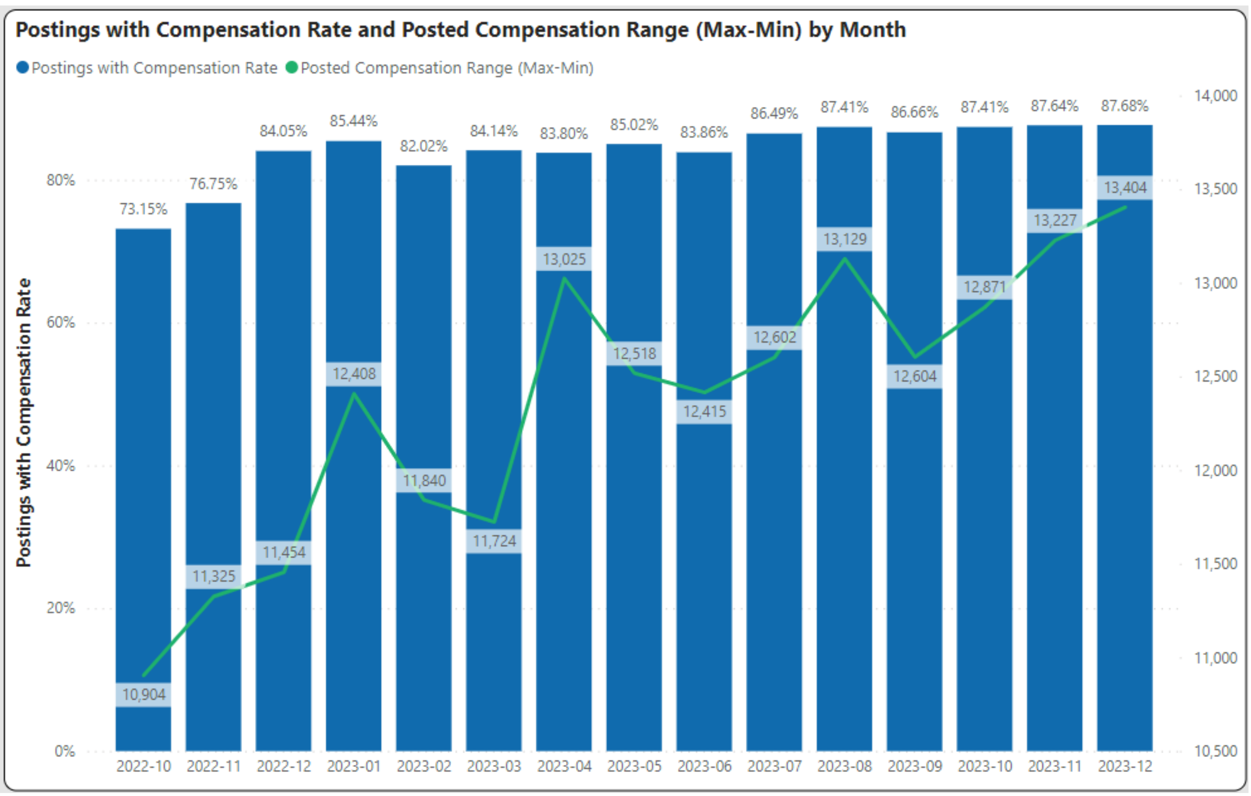


Pay Transparency is Here to Stay

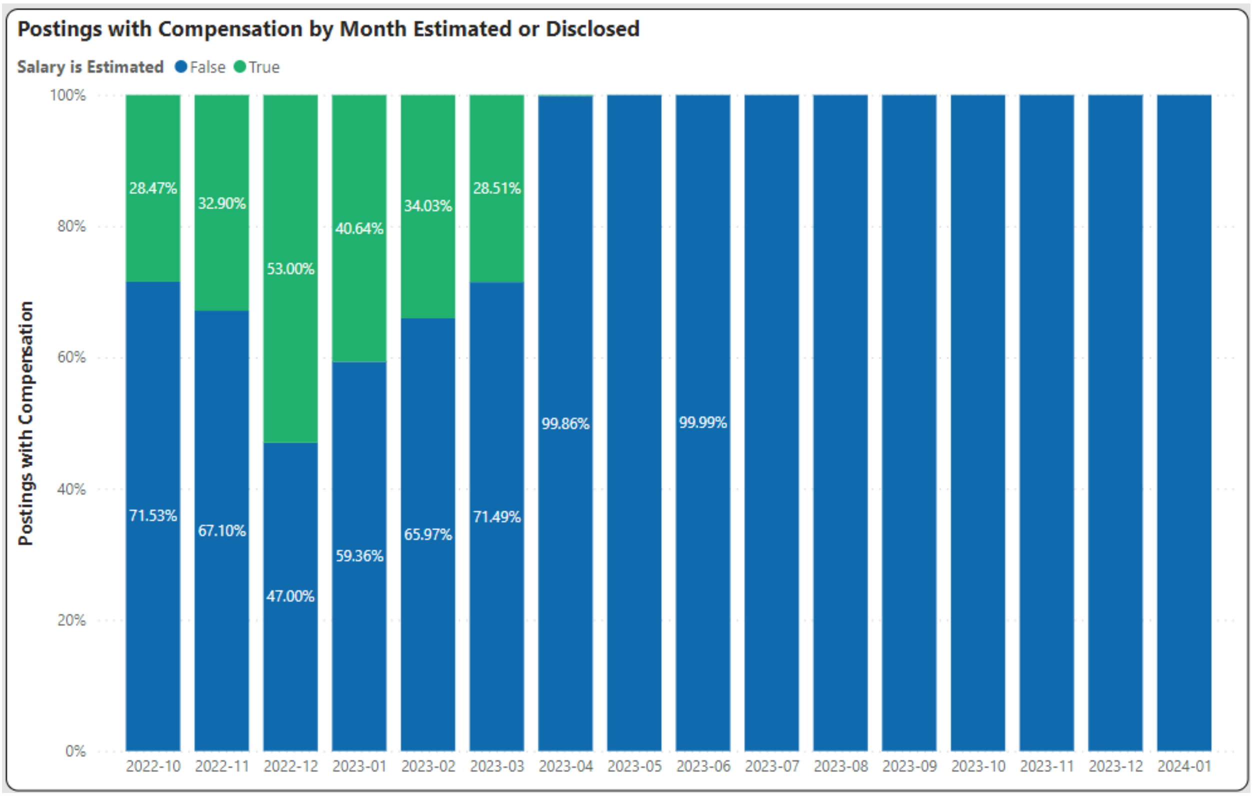
Hard to believe but at the end of 2021, only one in three job postings disclosed compensation. Pay transparency rapidly evolved based on the combination of state and local mandates, job board requirements, market pressures, and employer willingness.

Support for pay transparency is based on the desire to not only close pay gaps, but also to increase happiness, engagement and loyalty at work according to one Indeed survey.

At the end of 2023, nine in ten jobs have pay disclosures on the Indeed® job platform. Further, it is a misnomer that employers will disclose jobs with a wide pay range. The graph below shows that not only did the number of jobs with disclosed pay increase, but the compensation range (wage band) between high and low remained fairly level at $13,000, which is between 20-25% of the midpoint compensation.



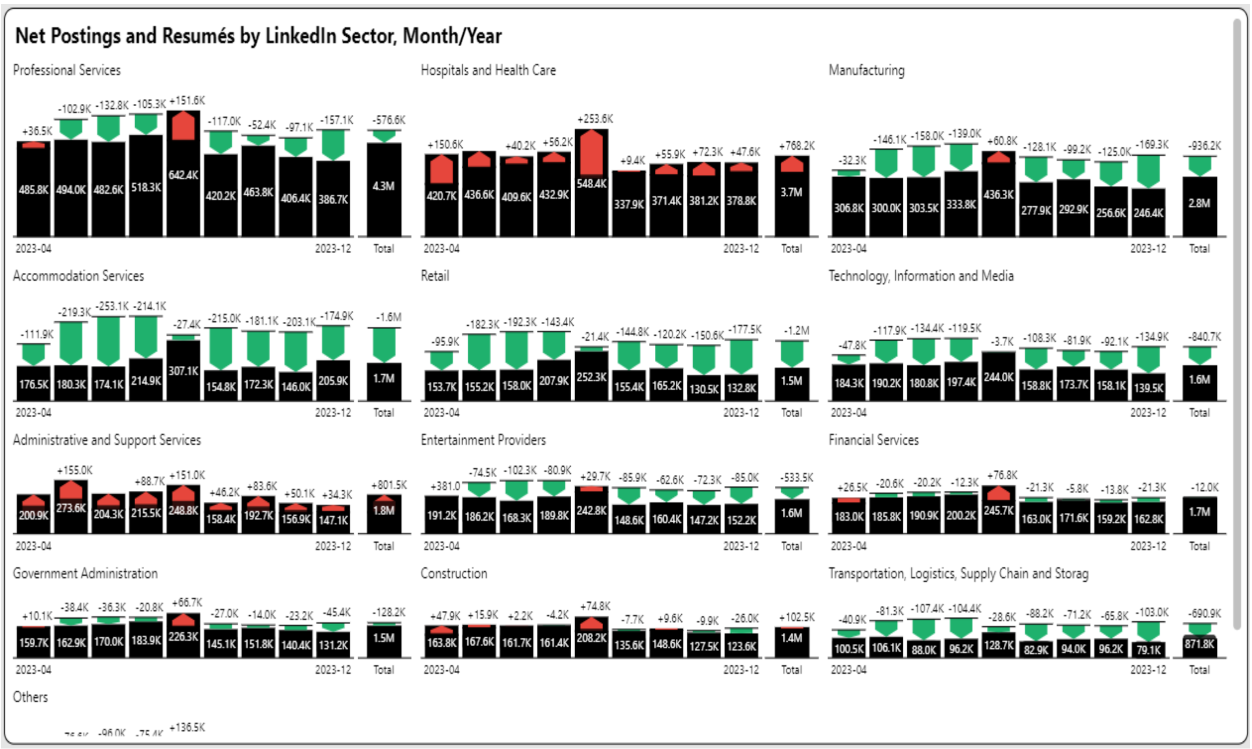
Some employers were forced into it by the threat of imputed compensation. The graph below shows that late in 2022 and early in 2023, Indeed imputed salaries on half of all jobs (green column). As time went on, employers complied and Indeed no longer imputes salaries on job postings.



Supply/Demand Imbalances Moderate but Challenges Remain

During the height of the pandemic, quit rates dramatically increased and workers changed roles, relocated, or even stood on the sidelines. As we emerged from the pandemic, quit rates have moderated and the mass exodus of workers has eased. That said, selective industries face acute shortages of workers to fill open positions.

To highlight supply/demand imbalances, we superimpose job seekers based on resumés against net job postings (total postings less repostings). We can then look at this supply and demand in diverse ways. The graphs highlight supply surplus (more job seekers than net postings) shown in green or supply shortage (less job seekers than net postings) shown in red.



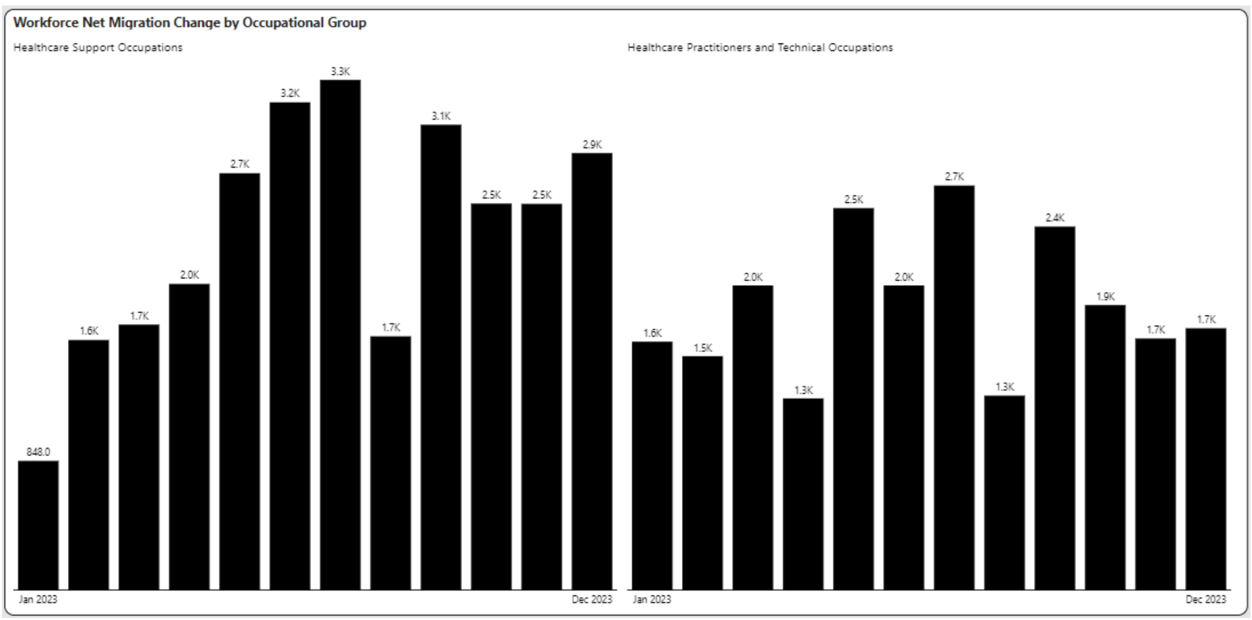
Health Care Acute Shortages

Over the course of the past nine months, Hospitals and Health Care sector had 20% less supply based on candidates in market to the net posting demand. This ranged as high as 50% shortages during the summer. These shortages will only become more acute with an increasingly older population.

In order to combat this trend, more skilled job seekers must enter the workforce. We measure those coming into the workforce and those leaving the workforce using net migration. Net migration is measured as arrivals (people coming in) over departures (people leaving).

Net migration is always a net zero metric across the entire job market. It is the context that provides the value against this metric. For example, if a job seeker leaves retail for healthcare, healthcare has a +1 net migration and retail has a -1 net migration.

Unfortunately, net migration for health care workers, while positive, is not increasing at a rate that will cover the increasing market shortage. The graph below shows the net migration for health care support and health care practitioner occupational groups. The good news is that this number is positive, so health care workers are still entering the workforce. However, the number of practitioners is near the yearly low point at the end of December. Health care support workers did experience a net migration increase at the end of the year, but well below the summer highs.



Professional and Technology

As mentioned in the labor market section, shortages of workers in these sectors have moderated as a reaction to over hiring during the pandemic. The number of job seekers for these sectors has exceeded the demand for seven of the past nine months in both sectors. The cumulative number of workers over the past nine months now essentially matches the demand over the same time period.

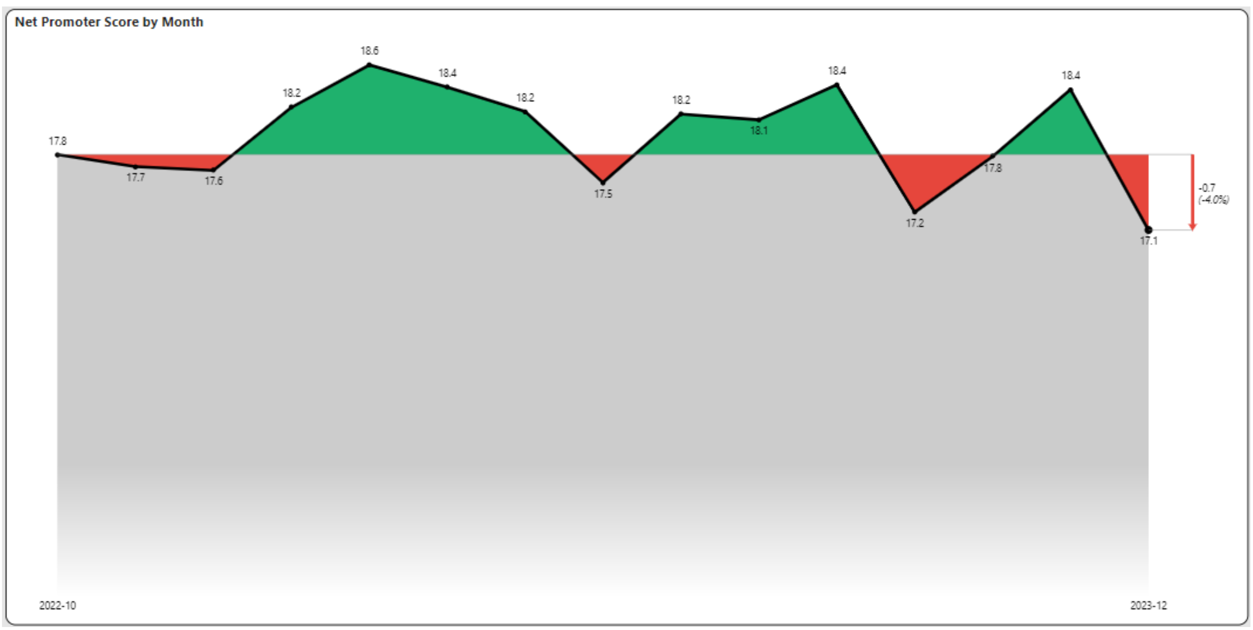
Entry Level Workers Reappear

Finally, during the height of the pandemic, employers faced acute shortages of workers in retail, Accommodation and Food Services, Manufacturing, and Transportation Logistics. These shortages have moderated as more entry level workers have reappeared. As mentioned earlier, quit rates among these workers have declined to historical levels. Employers have also increased wages to attract workers back into the market.

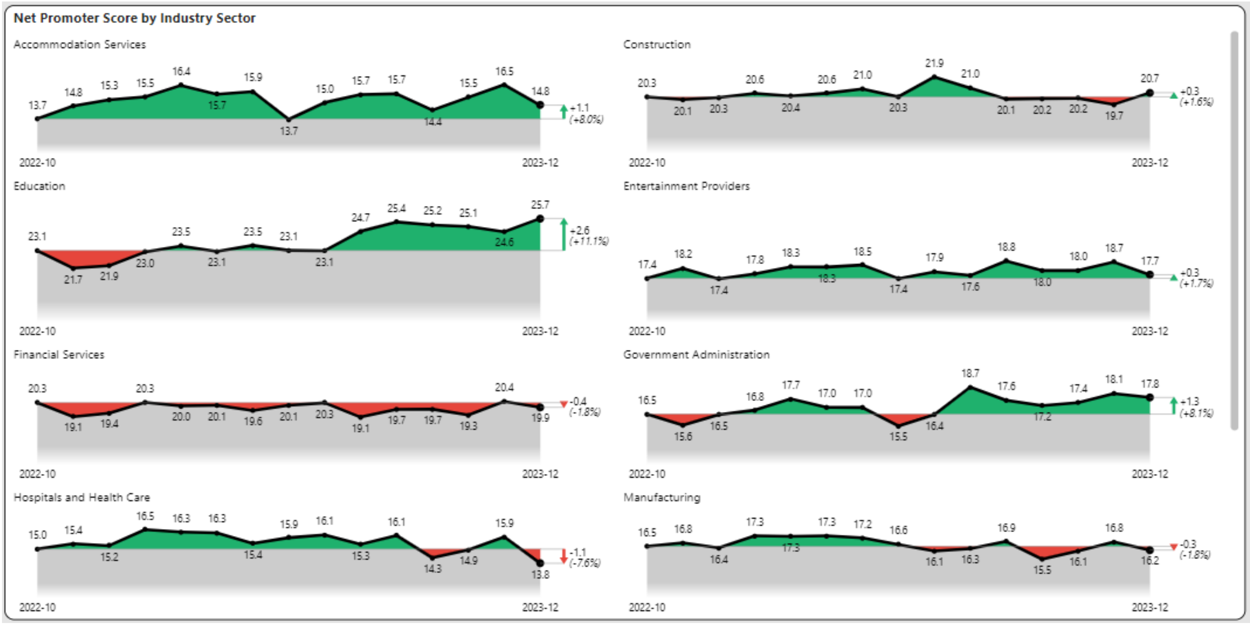
Worker Sentiment Improvement is Elusive

Between 2021 and 2022, worker sentiment declined rapidly. Worker sentiment measures the level of positivity and negativity based on text analysis of Indeed® and Glassdoor® reviews. We calculate a net promoter score (NPS) based on review sentiment. These scores will range between +100 (highest positivity) and -100 (highest negativity).

In the later stages of 2022, the NPS bottomed out to 10.5 and has been trying to recover back to pre-pandemic levels of 24 ever since. After initially rising, NPS has meandered between 17 and 18, still 25% below pre-pandemic levels. The graph below shows the NPS as a composite over the trailing fifteen months.



Some industries have experienced more challenging workplace scores than others.



- Education has improved and now exceeds pre-pandemic levels.
- Accommodation Services has also improved during this time period.
- Hospitals and Health Care on the other hand declined in the latter part of the year after showing some improvement during the summer.

What Matters to Health Care Workers?

Opinions about what matters to employees have shifted in light of workplace trends. Opinion mining associates subject-adjective pairs with sentiment scoring to determine those subjects that are important and how well they are being handled by today's employer. The top subjects and their positivity for health care workers are below.

Review Opinions (Minimum 10)

Subject	Count	Positive	Negative	Mixed
management	73,778	39.58%	60.39%	0.03%
pay	67,818	63.96%	35.82%	0.22%
place	61,014	82.29%	17.61%	0.11%
benefits	51,097	89.25%	10.71%	0.04%
Company	44,686	75.33%	24.63%	0.05%
staff	42,052	69.05%	30.93%	0.02%
people	41,020	94.25%	5.73%	0.02%
environment	28,163	75.35%	24.63%	0.02%
employees	27,150	55.68%	44.29%	0.04%
coworkers	18,074	95.82%	4.16%	0.02%
job	16,287	80.61%	19.27%	0.12%
culture	15,256	81.08%	18.90%	0.01%
team	14,191	98.15%	1.85%	
experience	13,500	85.16%	14.84%	
hours	12,720	76.93%	23.05%	0.02%
training	12,612	52.00%	48.00%	
communication	12,282	27.33%	72.67%	
Leadership	11,467	49.63%	50.37%	
managers	10,804	61.71%	38.23%	0.06%
schedule	10,055	89.60%	10.39%	0.01%
Work	9,594	83.03%	16.92%	0.05%
work environment	8,967	65.16%	34.79%	0.04%

While pay is important to health care workers, it is second to management. Further, most of the comments related to management are negative. The same can be said for communication and leadership. Pay will never make up for an unhealthy or toxic work environment.

Unfortunately, the negativity in communication is trending down (i.e., negativity is increasing) during 2023 and in the months since the pandemic. The key to addressing health care sentiment is improving these areas.

About Public Insight

Public Insight® develops TalentView, a talent market intelligence solution that generates targeted market insights that help inform and justify recruiting decisions and solution provider business development.

TalentView transforms data from external data sources such as LinkedIn®, Indeed®, Glassdoor®, and government publications into actionable market insights. Insights are provided through reports generated in our analytics platform and/or integrated into your application.

Talent market metrics can be segmented by job titles, occupation, industry, region/zip code, and employer over time for a detailed understanding of talent and employer opportunities.

Public Insight solutions are built on Microsoft® Power BI and data mining technologies to enable self-service analysis, competitive/industry benchmarking, decision making and collaboration using open standards and data transparency.

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