

2024 LABOR MARKET OUTLOOK



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A Roaring Twenties Redo



Julia Pollak
ZipRecruiter Chief Economist

The 2020s got off to a rocky start. In 2020, the U.S. suffered job losses of unprecedented magnitude as a result of the COVID-19 pandemic. In 2021, thanks to the end of stay-at-home mandates and a population flush with stimulus money, the economy recovered so rapidly that it overheated, creating an acute shortage of labor and rapid inflation. In 2022, the Fed responded to 40-year-high inflation with a steady diet of interest rate increases, the fastest interest rate increase cycle on record. In 2023, inflation cooled more quickly than the labor market, setting us up for what many economists believed was a low-probability scenario, “the soft landing.”

So what can we expect from 2024? If inflation continues to soften and interest rates hold steady, the unemployment rate and jobless claims will likely edge upwards until the Fed begins to cut. However, once the Fed takes its foot off the brakes, expect to see businesses’ investment recover and grow. As investments in artificial intelligence, green technologies, semiconductors, cloud computing, infrastructure, and domestic supply chains pick up and bear fruit, pent-up demand for labor and business inputs will be unleashed, and the 2020s will become a decade of rapid growth and innovation, like the 1920s before them.

The first “Roaring Twenties” was a period of profound economic change, rising prosperity, and cultural flourishing. At the heart of the change were two key innovations concerning a power source and a business process: Electricity found its way into the majority of factories and homes, and the introduction of the assembly line led to the efficient mass production of goods like cars, tractors, refrigerators, washing machines, and radios. At the same time, World War I labor shortages challenged gender role norms, allowing women to enter the workforce in large numbers. That change would have profound cultural implications.

“ We’re on the verge of a second roaring twenties—with a twist.”

We’re on the verge of a second roaring twenties—with a twist. Again, the key innovations involve the adoption of new energy sources and productivity-enhancing technologies, this time green energy and artificial intelligence. Together, these innovations have the potential to drive significant economic growth and transform the future of work across industries. Once again, a crisis has changed societal work norms—this time concerning remote work and schedule flexibility. Once again, new norms have led to increased labor force participation among women and mothers, as well as among workers with disabilities.

Of course, the 1920s were blighted by rising income inequality, speculative mania fueled by loose monetary policy, and worsening pollution from coal-fired electric plants—and the decade ultimately ended with a catastrophic stock market crash and Great Depression. But this time, we got the crash out of the way first, higher interest rates will help prevent speculative excesses, and the new energy revolution will reduce smog, not increase it. There’s a strong chance we are poised to repeat the good of the 1920s without the bad.

Here are several ways in which the synergy of green energy and AI could contribute to a trailblazing and prosperous decade:



A Renewable Energy Revolution

Green energy technologies, such as solar, wind, and hydropower, supported by AI-driven optimization and smart grid technologies, could lead to a revolution in the energy sector. Increased adoption of renewable energy sources could not only address environmental concerns but also create good jobs, stimulate economic growth, and give us a less inflation-prone energy sector.



Improved Energy Efficiency

AI will increasingly be employed to optimize energy consumption in various sectors, including manufacturing, transportation, and construction. Smart systems can analyze data to identify opportunities for energy efficiency, reducing costs for businesses and consumers.



Infrastructure Development

The transition to green energy and more AI-powered systems requires significant infrastructure development. This includes the construction of renewable energy facilities, smart grids, energy storage systems, electric vehicle charging networks, and semiconductor factories. These infrastructure projects are driving economic activity and creating good jobs. They are also likely to yield further innovation spillovers.



Innovation and Research

AI is accelerating research and development in green technologies, materials science, drug discovery, and many other fields. Machine learning (ML) algorithms can analyze vast amounts of data to identify new materials and optimize the performance of production systems. This rapid innovation could lead to breakthroughs with wide-ranging economic implications.



Job Creation

The green energy sector, coupled with AI applications, has the potential to create a significant number of jobs in areas such as renewable energy installation and maintenance, software development for AI applications, and data analysis. This job creation can have positive ripple effects throughout the economy.



A Consumer Transformation

Similar to the 1920s' shift towards consumerism, the adoption of green energy and AI technologies is already becoming a societal trend. Already, large groups of consumers have begun to prioritize products and services that align with environmental sustainability, creating opportunities for businesses that embrace green and AI-driven innovations.

Of course, there will be challenges along the way. For example, electric trucks currently have less range and require lengthy charging, reducing the number of deliveries drivers can make in a given time, and reducing how much they can earn.

A key barrier to the U.S. economy's successful transition to both greener and more productive technologies will be the availability of labor with the right skills and interests. Companies that learn to win the war for talent in a supply-constrained environment and that develop robust talent pipelines alongside resilient domestic supply chains will have the advantage.

This report examines the transformations underway in ten major sectors of the economy, examines the top workforce challenges each will confront, and shares tips for navigating these changes successfully.

“A key barrier to the U.S. economy's successful transition to both greener and more productive technologies will be the availability of labor with the right skills and interests.”



2024 LABOR MARKET OUTLOOK

Construction

The State of Construction

Construction is one of the largest industries in the world, making up 4% of U.S. GDP and employing about 5% of U.S. workers. But it's also one of the slowest growing. For decades, the sector has been stuck in a time warp with low rates of innovation.

Overregulation and industry fragmentation have slowed investment in new technologies and skills. And more recently, pandemic-related materials shortages and high interest rates have stalled projects.

Despite facing challenges, promising developments are gaining momentum, and a bright future for the industry is on the horizon. Rising demand for apartments and data centers, and new funding for industry and infrastructure, are generating high-quality jobs on the kinds of large-scale projects where productivity growth is fastest. That shift is unleashing a wave of innovation that holds the key to overcoming the industry's most serious long-term challenge: a shortage of workers in the skilled trades.

The construction workforce is undergoing major demographic shifts. Seasoned skilled trades professionals are aging out, while the pipeline of new talent shrinks due to younger generations pursuing college degrees and opting for less physically demanding roles.

The industry faces an opportunity address its talent shortages and productivity challenges by adopting innovative technologies and modern benefits programs.



Manufacturing has seen a century of evolution, shifting from intensive manual labor to high-tech precision. Safety and efficiency now reign, with opportunities for career growth and adaptability. Construction—poised on the brink—is next in line for a similar transformation.

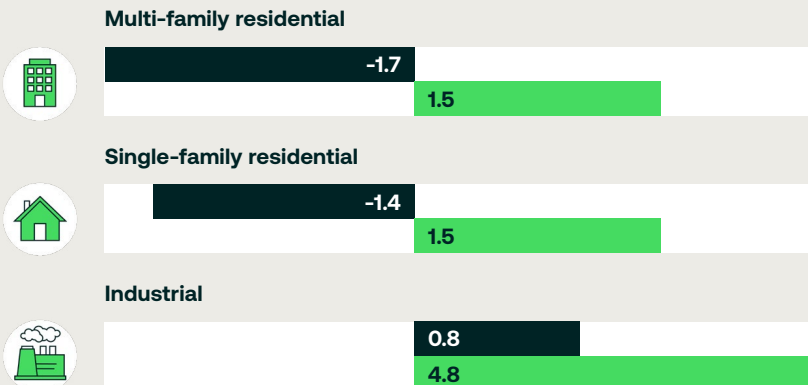
-Julia Pollak, ZipRecruiter Chief Economist



Construction productivity is growing

Average annual % change in labor productivity, selected periods, by sub-sector

2007-2019 2019-2022



Source: U.S. Bureau of Labor Statistics, Construction Labor Productivity, Sept. 12, 2023.

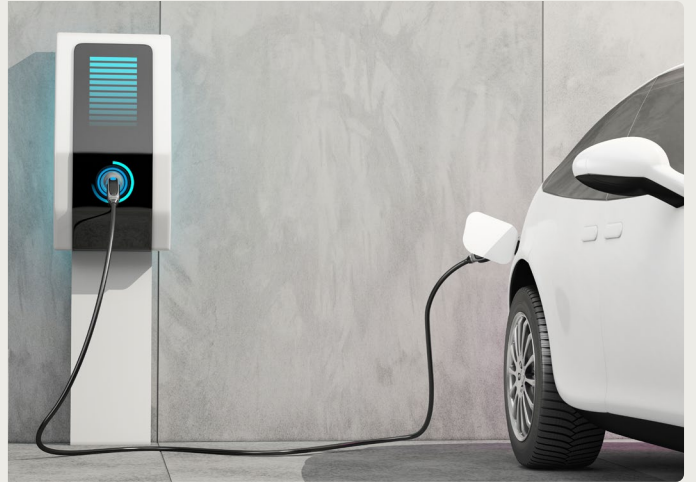
Reasons for optimism in the industry:

- 1. Major industry segments** have recently experienced a surge in productivity growth.
- 2. Materials shortages** are resolving and materials cost inflation is cooling.
- 3. Interest rates** are likely to start falling in 2024, stimulating new business activity.
- 4. Advanced technology** is making construction careers more appealing to a wider pool of talent.

Three Trends to Watch

1. A new era of U.S. industrial policy

Non-residential construction is receiving a boost from the Infrastructure Investment and Jobs Act (IIJA) and the CHIPS and Science Act of 2022, which have allocated funds for projects such as electric vehicle charging stations, microchip factories, broadband, and clean energy. Projects of this scale attract investments in advanced technology. Expect them to draw talent into the industry due to their scale, expected social impact, and attractive conditions.



2. Prefabrication and modular construction

Thanks to growing project scale and the hunt for efficiencies, projects are increasingly making use of prefabrication and modular construction. This is transforming roles from on-site construction laborer roles—where weather conditions and safety hazards are perpetual difficulties—to more appealing design roles and less labor-intensive installation roles.



3. Drones, robots, automation, and the Internet of Things (IoT)

Increasingly, construction companies are using drones to survey construction sites, plan and design projects, and conduct inventory assessments. They are adopting new construction robots that can demolish old structures or follow CAD drawings and BIM models to plan projects, lay bricks, and paint walls. They are also using connected devices and sensors to monitor operations and speed up decision-making. These developments are improving efficiency and safety while also fueling a generation of exciting new jobs for project managers, drone operators, and data scientists.



Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Field Surveyor



Civil Engineering Project Manager



Certified Flagger



Installation Coordinator



Residential Plumbing Technician

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Architectural Drafter



Rig Welder



Home Inspector



Carpenter



Electrician

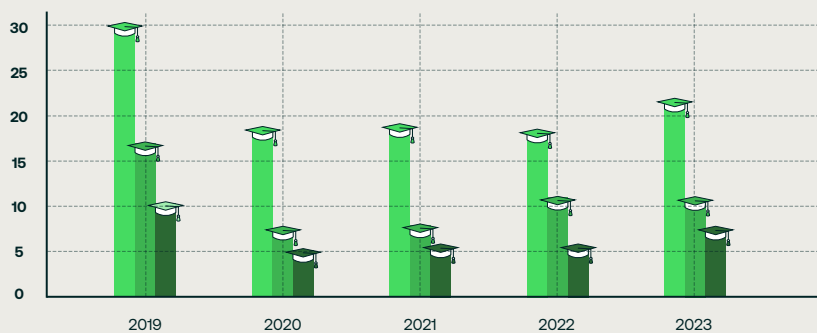
Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Evolving job requirements

81% of construction employers say they use skills-based hiring, and 57% say they have discarded degree requirements for certain roles in the past year. Job posting data suggests that employers initially relaxed their educational requirements during the pandemic for construction roles, but have since partially reinstated them.

Percentage of Job Postings

- High School/GED
- Bachelor's Degree
- Graduate or Professional Degree



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

Top-performing markets

Based on average # of applies per posting

Job seekers in construction on ZipRecruiter express greatest interest in these markets:



New York, NY



San Ramon, CA



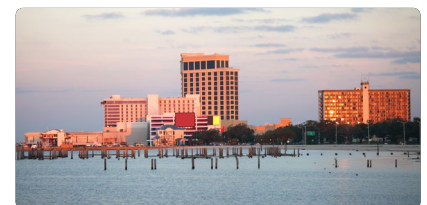
Wider Los Angeles, CA



Spring, TX



Folsom, CA



Biloxi, MS

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

“Construction 2.0”: On the Brink of a Tech-Driven Transformation

Tech skeptics often fear that automation and digitalization will cost jobs. But in recent years, the construction sub-industries with the fastest productivity growth, like industrial and multi-family construction, have also experienced the fastest employment growth—largely because some projects must have high labor productivity to earn positive returns. Construction companies are increasingly adopting productivity-enhancing tech to create more—and higher-quality—jobs in the process.

Promising technologies include:



Building information modeling (BIM)/virtual construction



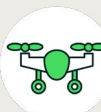
3D printing



Collision avoidance systems



Digital twinning



Drones



Wearable technologies for worker safety

Women in Construction: A Key to Bridging Talent Shortages and Skills Gaps

Women hold only 14.3% of all construction jobs. Recent technological advances have coincided with increases in the share of women working in the industry, and the entry of more women could be part of the solution to labor shortages. To expand their talent pools, industry organizations have recently accelerated efforts to recruit women into skilled trades training programs. These programs are likely to have a snowball effect as more women rise up the ranks, becoming mentors and role models to women following them.

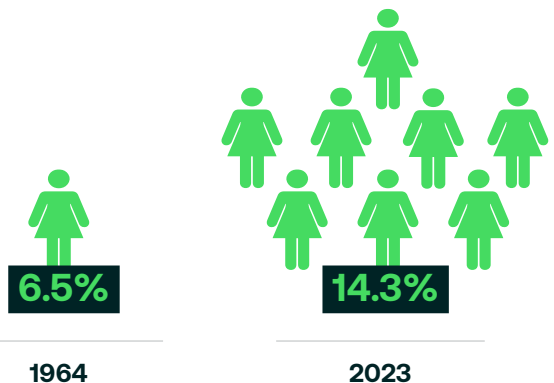


Women hold only **14.3%** of all construction payroll jobs.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

Women in construction

% of construction payroll jobs held by women

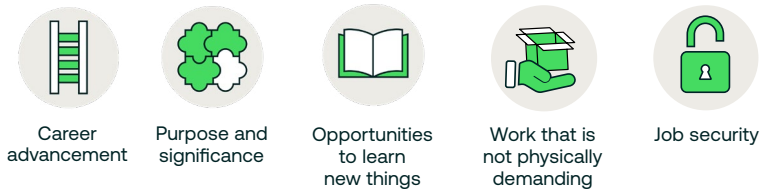


Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

Attracting the Workforce of Tomorrow

What workers want

Job seekers like construction for the career growth opportunities and satisfaction of building something tangible, but wish the roles were less physically demanding.



Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.



2024 spotlight: sustainable construction

Increased global investment in low-carbon, sustainable construction is generating a new ecosystem of green startups focused on net-zero energy building. In fact, venture capital investment in green construction increased tenfold between 2021 and 2022.¹ Demand for solar panels, bio-building materials, electric vehicle charging stations in home, and lower-carbon construction methods is higher than ever."

Sustainable construction jobs projected to grow

Rising demand for green buildings is generating growing demand for a wide range of roles:

- Environmental Compliance Engineer
- Vehicle Charging Installation Technician
- Sustainability Home Designer
- Building Performance Analyst

ZipTips

In many parts of the country, there are plenty of candidates for entry-level construction laborer roles, but experienced professionals in the skilled trades are in very short supply. To attract and retain top talent, ZipRecruiter recommends:

1. Remove barriers to entry

Educate potential candidates about the skilled trades and associated high-paying job opportunities. Offer apprenticeships, mentorship programs, and subsidies for licensing fees or continuing education.

2. Promote diversity

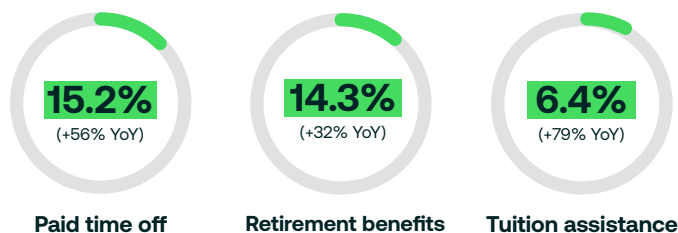
Actively recruit candidates from untapped and overlooked talent pools. For example, build a welcoming environment and highlight its inclusiveness to prospective candidates who are wary of entering such a disproportionately male field.

3. Invest in retaining top talent

Create incentives for talented employees to become mentors and managers. Improve worksite conditions so that employees aren't in uncomfortable or unsafe environments—that could include everything from wearable safety equipment to anti-bullying/inclusion practices. Use mobile scheduling tools that give workers flexibility and scheduling autonomy.

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

¹ Williams, Lara, "Green construction: A sector to watch in 2023," Investment Monitor, Dec. 9, 2022.



2024 LABOR MARKET OUTLOOK

Education

The State of Public Education

The education of a country's population is the key to its innovation and economic growth, and it remains highly personnel-intensive. There is no substitute for the engagement of large numbers of talented teachers able to provide students with personalized attention. While many U.S. workers are motivated to teach and to work with young people, job seeker interest in education has shifted from traditional school jobs to roles outside the classroom. School administrators, powerless to rectify the primary cause of their hiring and retention challenges—a ballooning “teacher pay penalty”—are in the unenviable position of having to find creative solutions elsewhere.



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Job seeker interest in education consulting, online tutoring, curriculum design, and employee development roles has never been higher. Yet there is a shortage of education talent where it is needed most—in public schools, especially in special education and STEM. Addressing that shortage will require significant improvements to public school job quality.

—Julia Pollak, ZipRecruiter Chief Economist

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Top challenges in recruiting and retaining teachers:

- 1. Wage penalty:** Teachers' pay hasn't kept pace with that in other professions.
- 2. Work-life balance:** Jobs often involve long commutes, early mornings, and demands on teachers' personal time.
- 3. Workload pressure:** Heavy workloads contribute to burnout and turnover.
- 4. Classroom resources:** Uncomfortable, unsafe, or under-resourced classrooms diminish job satisfaction.
- 5. Student behavior:** Too little support for managing disruptive students can harm morale.
- 6. Limited opportunities:** Inadequate career advancement opportunities can contribute to teacher turnover.

The School Staffing Crisis

There are tens of thousands of unfilled teacher vacancies in the U.S., and over 160,000 jobs are filled by underqualified teachers, according to research from Kansas State University's College of Education.¹ 40 of 50 states report ongoing teacher shortages in public schools, which are especially acute for special needs and STEM teachers.²

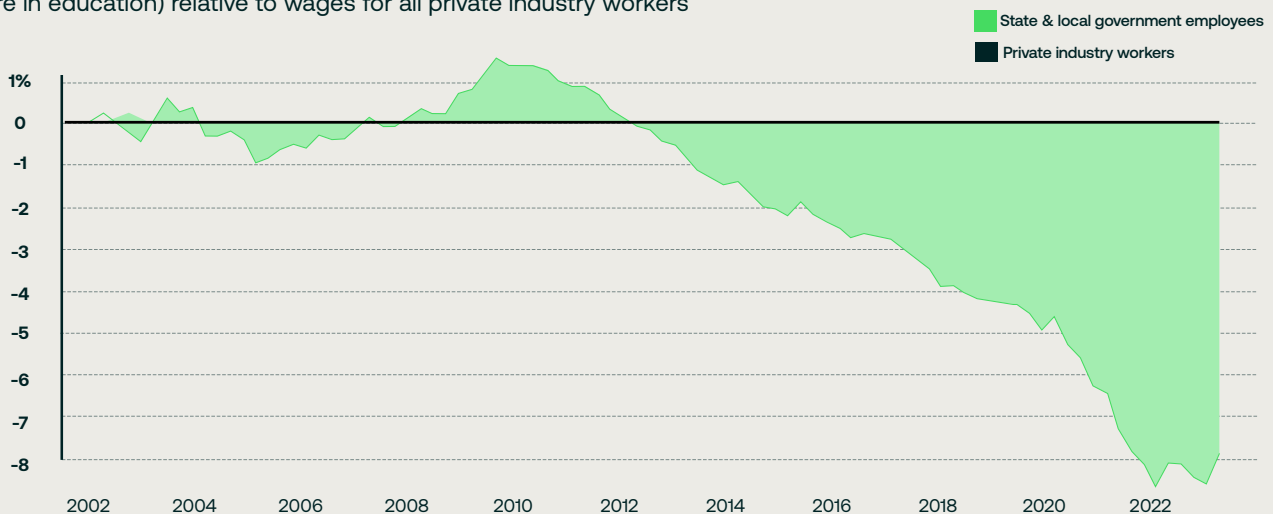
At the same time, there are many U.S. workers who are eager to work in the broader field of education, outside a school. On ZipRecruiter, job seeker interest in education consulting, tutoring, online education, curriculum design, employee development, and similar roles is extremely high. Teaching talent exists—it just tends to seek more autonomy, greater flexibility, and higher pay than the typical school provides.

More Responsibilities, Less Pay

Pay for teachers has lagged behind that in other occupations over the past 40 years, with teachers now earning 26.4% less than comparable college graduates, according to research by the Economic Policy Institute.³ The gap has widened since the pandemic. Arguably, teacher pay should have risen faster than that in other occupations following the pandemic, to compensate teachers for the increased burdens of their roles: a new virus risk, setbacks in test scores and mental health, understaffing, and the relative improvement of other occupations where work has become more flexible. While technology has made many other jobs easier and more pleasant, many teachers argue that the introduction of laptops and tablets into the classroom has created distractions, making their jobs harder.

A public school teacher wage penalty has emerged in the past decade

Wages for state and local government employees (53% of whom are in education) relative to wages for all private industry workers



Source: U.S. Bureau of Labor Statistics, Employment Cost Index, Dec 2005=100, Seasonally Adjusted.

1 Pandey, Erica. "America's Empty Classrooms," Axios, Aug. 19, 2023.

2 Jones, Arthur, "Why there's a special education and STEM teacher shortage and what can be done," ABC News, May 11, 2023.

3 Walker, Tim, "Teacher 'Pay Penalty' Reaches Record High," NEA Today, Oct. 3, 2023.

Demographic Trends in the Teacher Workforce

Teachers are retiring in large numbers or leaving the profession due to burnout, at the same time that enrollment in teacher training programs is falling. Given current demographic trends and enrollment patterns, teacher shortages are on track to grow worse—unless schools find ways to make the jobs more appealing to new generations of talent.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose most between 2022 and 2023:



Instructional Systems Specialist



Physical Education Teacher



Academic Tutor & Mentor



Special Education Teacher



School Psychologist

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Admissions Consultant



E-Learning Designer



Financial Coach



Educational Consultant



Infant Toddler Lead Teacher

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Top-performing markets

Based on average # of applies per posting

Job seekers in education on ZipRecruiter express greatest interest in these markets:



New York, NY



Fairfax County, VA



Long Beach, CA



Ridgefield, CT



Bethesda, MD



Houston, TX

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

Three Trends to Watch

1. Major U.S. companies are investing in upskilling their workforces

U.S. employers are actively addressing labor shortages and skills gaps through training initiatives. The Lowe's Foundation is investing \$50 million through its Gable Grants Program to prepare 50,000 people for skilled trades careers over the next five years. The McDonald's Archway to Opportunity has awarded over \$185 million in high school and college assistance to restaurant employees. Walmart has committed \$1 billion through its Live Better U program to pay 100% of college tuition and books for 1.5 million of its associates. These are a few examples of the major private sector and civil society training programs taking place across state and industries.



2. Online and hybrid learning remain important, even after the pandemic

About 15% of U.S. college students attended primarily online institutions in 2021,⁴ and many more use online learning platforms like Coursera, edX, Udemy, and MasterClass. The global online education market is projected to be a \$319 billion industry by 2025, due to cost advantages, convenience, scale, and student satisfaction.⁵ As more education moves online, it is becoming easier for institutions to gather data on how students learn best. Expect to see rapid innovation in the coming years, such as more training programs that harness the power of video games and extended reality to engage young people. Online training programs also have a large advantage in recruiting and retaining instructors.

3. Social media for education

Americans are increasingly getting their news and information on social media. TikTok's short-form videos have captivated the attention of users, including educators and content creators who adeptly convey complex subjects in brief, entertaining clips. YouTube, with its vast array of channels covering news, science, and educational topics, remains a go-to platform for many young people seeking engaging and accessible information. Key challenges to using these resources effectively include the difficulty of avoiding distractions and misinformation.



⁴ "Selected statistics for degree-granting postsecondary institutions that primarily offer online programs, by control of institution and selected characteristics: Fall 2020 and 2019-20," National Center for Education Statistics.

⁵ "Global Online Education Market - Forecasts from 2020 To 2025," Research and Markets.

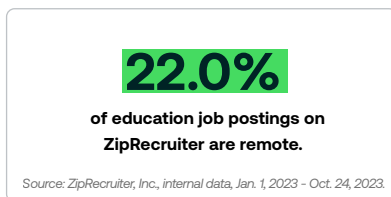
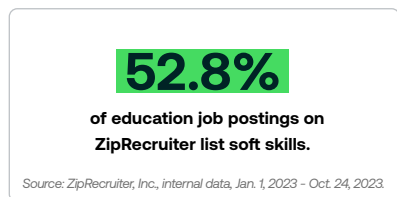
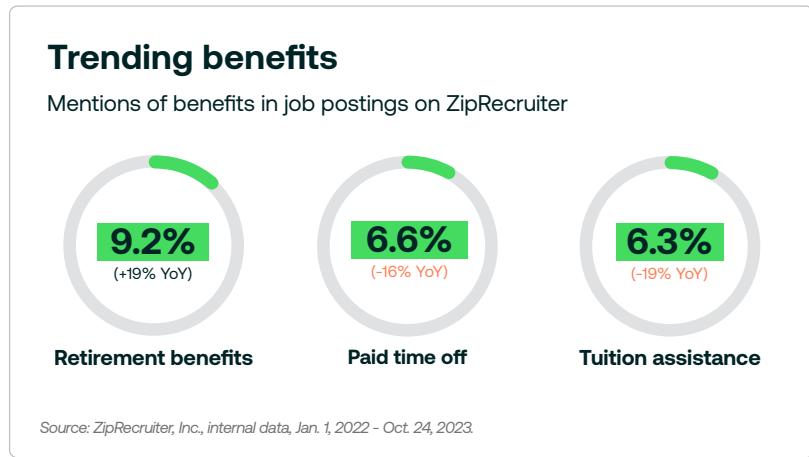
Attracting the Workforce of Tomorrow

What workers want

Job seekers like education for the ongoing opportunities it presents to learn and for the security of yearly contracts, but wish the roles were less stressful.

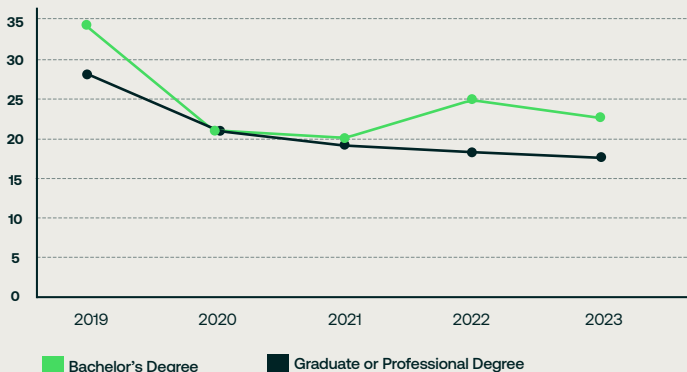


Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.



Evolving job requirements

The number of education job postings requiring bachelor's degrees or master's degrees have fallen substantially since 2019.



ZipTips

To attract and retain top education talent, ZipRecruiter recommends that educational organizations:

1. Provide competitive compensation

Until pay gaps between teaching jobs and other jobs with comparable education requirements narrow, attracting and retaining top talent will remain challenging. Local governments should face continued pressure to fund K-12 education adequately, and to prioritize teacher pay over other expenses that are less closely linked to student achievement.

2. Address employee burnout

This means investing in employee retention to combat short-staffing, improving work-life balance, tracking employee workloads, ensuring that employees have adequate break time and prep time, offering sick leave, and facilitating collaboration between staff. The top motivation for job-switchers in education is the desire to find a job that is less stressful, according to ZipRecruiter surveys.

3. Offer employees learning and development opportunities from the beginning

After a low-stress environment, the second-most important thing job seekers in education want is opportunity to learn new things.

4. Compete on benefits (e.g., housing or educational assistance)

Teachers have one of the highest unionization rates, and therefore tend to have attractive standard benefits packages. One way schools can compete is by offering less common benefits that are popular with college-educated workers, such as tuition assistance and student loan repayment assistance. Currently, only 0.2% of education jobs posted on ZipRecruiter mention student loan assistance benefits.



2024 LABOR MARKET OUTLOOK

Financial Services

The State of the Financial Sector

2023 was a challenging year across the financial services sector. \$870B in deposits have left banks since the Fed started raising interest rates,¹ and unrealized losses on banks' investment securities—which ballooned in mid-2022—remain high.² Bank stocks tumbled following the collapse of Silicon Valley Bank and recently reached an all-time low relative to the S&P 500 index.³ Commercial and industrial bank loan growth has been slow,⁴ delinquencies on credit card and auto loans are rising,⁵ and mortgage demand hit a 27-year low earlier this year.⁶ Insurers' repair and replacement costs have risen due to inflation in building costs—but premiums are rising more slowly due to regulator pushback on price increases.

Despite challenges across the banking, financial services, and insurance (BFSI) sector, employment levels have been remarkably stable over the past year. Because financial markets by their very nature rely on the rapid processing of information, the financial sector has always been at the forefront of innovation, investing heavily in the technology and talent of the future. Nowhere is this clearer than in the ZipRecruiter marketplace, where banks, funds, insurers, and fintech companies are competing aggressively for top talent in artificial intelligence, data science, user experience design, software engineering, and cybersecurity.

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Job titles on ZipRecruiter such as ‘Director of Underwriting Automation and Artificial Intelligence’ offer a glimpse into the extent of the investments financial services companies are making in cutting-edge technologies and specialized talent.

—Julia Pollak, ZipRecruiter Chief Economist

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Top 5 fastest-growing establishment types

Growth in employment since the pandemic



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Jan 1, 2020 - Nov 30, 2023.

¹ "Assets and Liabilities of Commercial Banks in the United States," U.S. Board of Governors of the Federal Reserve System, Dec. 8, 2023. Author's calculations.

² "Q3 2023 Quarterly Banking Profile," FDIC.

³ "US bank stocks sink to all-time low against S&P 500," Financial Times, Nov. 11, 2023.

⁴ "H.8 Assets and Liabilities of Commercial Banks in the United States," U.S. Board of Governors of the Federal Reserve System, Dec. 8, 2023.

⁵ "Quarterly Report on Household Debt and Credit," Federal Reserve Bank of New York, Center for Microeconomic Data, Q3 2023.

⁶ U.S. MBA Mortgage Market Index, Jan. 1990 - Nov. 2023.

How Financial Institutions Are Building Their Future Workforces

While demand for financial products and services will surely grow as the economy expands, overall employment in the financial services sector may not. Physical bank branches are gradually being replaced by online services, individual discretion is gradually being replaced by algorithmic decision-making, and many jobs are at high risk of automation.

In a rapidly-evolving industry with constant technological advancements and regulatory changes, companies will frequently need to restructure and redeploy talent. Effective reskilling programs and thoughtful management will be crucial for efficient organizational transitions that do not harm employee morale or productivity. Such programs can be less costly than frequent layoffs and new external hiring, while giving employees what they want in terms of job security and opportunities to learn and grow on the job.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Budget Analyst



Tax Law Specialist



Life Insurance Sales Agent



Mortgage Protection Specialist



Privacy Analyst

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

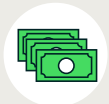
Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Remote Mortgage Underwriter



Commercial Collections Specialist



Sales Representative Health Insurance



Mortgage Loan Underwriter



Accountant Bookkeeper

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Top-performing markets

Based on average # of applies per posting

Job seekers in financial services on ZipRecruiter express greatest interest in these markets:



New York, NY



Los Angeles, CA



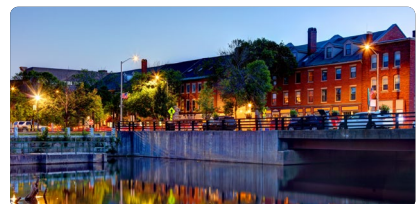
Lithonia, GA



Stafford, TX



San Diego, CA



Dover, NH

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023-Oct. 24, 2023; markets and roles with over 100 postings.

Three Trends to Watch

1. A cybersecurity talent surge

The recent digital shift has heightened the need for cybersecurity experts. With a 300-fold increase in cyber attacks on BFSI companies,⁷ regulatory bodies are enforcing stringent security measures. This has created a constant demand for professionals skilled in cybersecurity and compliance.



2. A wealth management boom

The aging population and retiring baby boomers have led to a surge in demand for wealth management and retirement planning services. With 10,000 Americans reaching retirement each day,⁸ financial institutions are expanding their teams of asset managers and financial planners to cater to the growing need for retirement assistance.

3. A product innovation arms race

The digital era allows easy comparison of financial offerings online, intensifying competition. To become the go-to financial solution for customers, banks are focusing on innovation. Success in this competitive environment hinges on building robust product teams of top tech talent that can develop comprehensive suites of integrated and personalized financial services.



“Finance 2.0”: The Challenges of Keeping Up with Digitalization

As younger generations of consumers demand more compelling digital experiences—and as businesses seek to boost efficiency and improve internal communications—financial services companies are integrating their information systems, automating business processes, and undergoing full-scale cloud migrations. According to research by Randstad, the financial services sector outpaced all other sectors in 2023 when it came to investments in relevant technology.⁹

Designing an integrated digital banking experience is more complicated than it might seem, however. Even as financial services organizations devote hefty portions of their budgets toward digital transformation and artificial intelligence, many are struggling to keep up in a highly competitive environment. The result is a talent war for the most skilled, specialized, experienced professionals.

⁷ “2020 Census Will Help Policymakers Prepare for the Incoming Wave of Aging Boomers,” U.S. Census Bureau, Dec. 10, 2019.

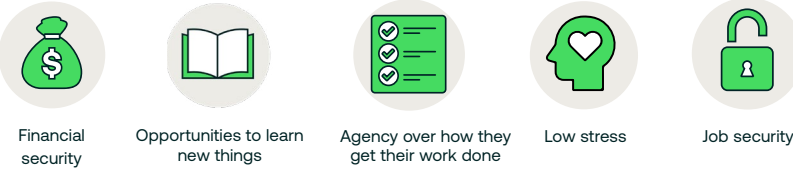
⁸ U.S. Census Bureau, “2020 Census Will Help Policymakers Prepare for the Incoming Wave of Aging Boomers,” Dec. 10, 2019.

⁹ “2023 Talent Trends Sector Report: Banking and Financial Services,” Randstad.

Attracting the Workforce of Tomorrow

What workers want

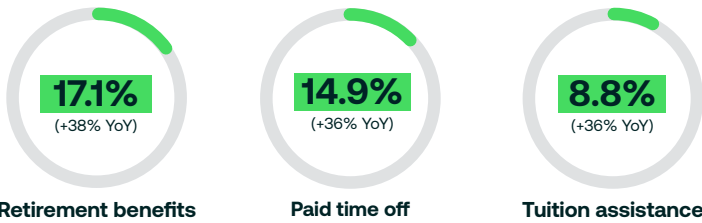
Job seekers like financial sector jobs for the security and opportunities they offer, but want more control over how they do their work.



Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

54.6%

of financial service job postings on ZipRecruiter list soft skills.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

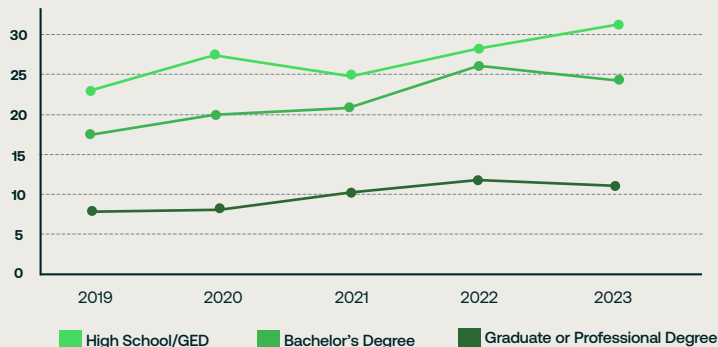
15.5%

of financial service job postings on ZipRecruiter are remote.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

Evolving job requirements

Unlike companies in most other industries, employers in financial services have NOT relaxed education and training requirements in job postings. On the contrary, they are increasingly demanding advanced skills and degrees, while also increasingly emphasizing soft skills.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

ZipTips

To attract and retain top financial talent:

1. Invest in reskilling

Financial services companies often have dedicated teams with expertise in learning and development and talent management. These teams often provide leadership training and professional development. As technological disruption accelerates, these teams should be tasked with working closely across departments to identify in-demand skills and help the organization redeploy talent from surplus to shortage, and from redundant roles to emerging roles.

2. Highlight opportunities for career growth

Employees highly value continuous learning and career progression. Once you have a well-oiled system for reskilling workers and recruiting them internally, highlight opportunities for career advancement in your recruiting and onboarding process.

3. Offer flexible work arrangements

Offering flexibility around when and where work is performed is crucial for enhancing job satisfaction and recruiting and retaining top talent, especially workers with STEM skills who often have many remote and flexible alternatives in tech and business. While fintech companies and insurers have largely adopted remote work, many traditional banks have not. Offering greater flexibility can improve your competitiveness, expand workforce diversity, and avoid burnout-driven attrition among new parents and older workers.



2024 LABOR MARKET OUTLOOK

Government

The State of the Public Work Sector

The public sector, which employs about 13% of U.S. workers,¹ has many unique workforce challenges. These include often lengthy and complicated hiring requirements, inflexible pay scales and benefits, and limited allowances for remote work. The pandemic highlighted the extent to which these labor market features can exacerbate and prolong labor shortages in a competitive and supply-constrained market. In fact, 18 months after overall U.S. employment returned to its pre-pandemic level, staffing at many state and local government agencies has yet to recover.²

The pandemic also highlighted the feasibility of an alternative approach. Many workers performed their duties successfully from home when rules were temporarily modified to allow remote work. More recently, growth in public sector wages has been successful at increasing the rate at which vacancies are being filled. More adaptable pay scales, separate pay scales for workers with specialized skills, and greater remote work and schedule flexibility will likely be necessary to build a resilient public sector workforce that can meet the imperatives of excellent and equitable service, digital transformation, and better emergency preparedness.

“

As government agencies confront a wave of retirements, protracted staffing shortages in particular functions, and disruptive technological change, they will need to harness some of the flexibility they allowed during the pandemic and make it a permanent feature.”

-Julia Pollak, ZipRecruiter Chief Economist

”

The public sector wage growth gap

% change in compensation for private sector workers, and for state and local government workers, since Q1 2020



Source: U.S. Bureau of Labor Statistics, Employment Cost Index, Jan. 2020 - Oct. 2023.

¹ "Current Employment Statistics," U.S. Bureau of Labor Statistics, Dec. 8, 2023
² Ibid.

The Government's Top Talent Challenge: Competing with the Private Sector

Jobs for correctional officers, firefighters, child protective investigators, social workers, and police officers are among the hardest-to-fill public sector roles, according to ZipRecruiter data on the average number of applications per vacancy. So are roles for public school math and science teachers, and experienced cybersecurity professionals.² In each case, the public sector has struggled to compete with the private sector on compensation, flexibility, and organizational culture.

Short-staffing has drained morale and set off a vicious cycle. Many agencies are still suffering from the reputation they developed among potential candidates during the pandemic, even though staffing levels have since improved and many personnel policies have been updated. Breaking the cycle from short-staffing to employee burnout to worsening shortages will require major organizational reforms that bring public sector talent management in line with emerging private sector best practices. Between 2020 and 2022, public sector agencies were increasingly competing for talent by offering remote work and adopting skills-based hiring, but both trends reversed somewhat over the course of 2023. Expect fierce debates over their merits to rage on throughout the 2024 election year.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Mail Handler



Licensed Clinical Worker



Director of Social Services



Social Service Worker



County Program Technician

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Digital Court Reporter



Interpreter-Translator



Mail Sorter/Specialist



Drug Safety Specialist



Detention Officer

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Top-performing markets

Based on average # of applies per posting

Job seekers in government on ZipRecruiter express greatest interest in these markets:



New York, NY



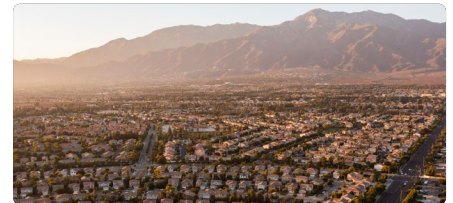
Kansas City, KS



El Paso, TX



Raleigh, NC



Rancho Cucamonga, CA



Irvine, CA

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

² ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Two Trends to Watch



1. Remote work

The share of public sector jobs that are remote doubled from 3.3% in 2019 to 7.3% in 2023, with a sharp decline from its 10.7% peak in 2022.³ The Biden Administration seemed optimistic about the future of telework in the federal workforce, and the Office of Personnel Management commented on its popularity, observing that federal workers were “agency-hopping” to those that allowed remote work.⁴ But by mid-2023, the White House started calling on federal workers to return to the office,⁵ and lawmakers started investigating office attendance at federal agencies and waging a “crackdown” on telework.⁶ Some have gone so far as to call it fraud for federal workers to earn Washington, D.C. wages while working out of lower-cost locations. We expect the recent return-to-office push to exacerbate shortages of specialized tech talent over the course of the year—especially when tech sector hiring picks up again.

2. Skills-based hiring

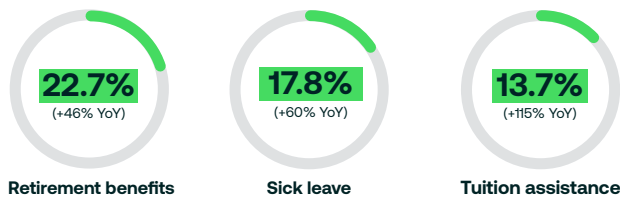
In accordance with a June 2020 executive order, the federal government has formally adopted a skills-based hiring approach, dropped degree requirements for certain roles, and prioritized skills over degrees in the hiring process. Many state and local governments have similarly dispensed with degree requirements in the years since. While the approach may have opened roles to a wider pool of candidates, it has also made hiring processes longer in some cases by shifting focus from candidates’ self-reported skills to a series of exams and interviews designed to assess their personalities and competencies. ZipRecruiter data showing an increase in education requirements in government job postings in 2023 suggests that a policy reversal may be underway, as in the case of telework.



Attracting the Workforce of Tomorrow

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

52.8%

of public work sector job postings on ZipRecruiter list soft skills.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

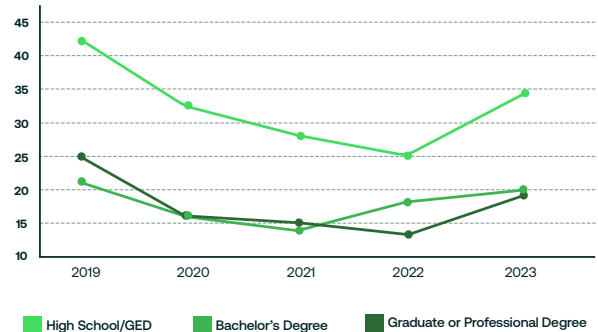
7.3%

of public work sector job postings on ZipRecruiter are remote.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

Evolving job requirements

Education requirements listed in public sector job postings declined between 2019 and 2021/2022, but have since risen again, suggesting a possible reversal of recent skills-based hiring initiatives.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

³ ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

⁴ Heckman, Jory, “OPM says federal employees ‘agency-hopping’ to telework-friendly offices,” Federal News Network, July 21, 2022.

⁵ Olorunnipa, Toluse, and Lisa Rein, “White House urges federal workers to return to office this fall,” Washington Post, Aug. 4, 2023.

⁶ Joseph, Jamie, “Sen. Joni Ernst wants remote government workers investigated: ‘We’re coming after them,’” Fox News, Sept. 7, 2023.

2024 Spotlight: The (Future) Value of Data

Government agencies have access to vast amounts of data that can provide insights into improving traffic, conserving energy, reducing homelessness, delivering better services, and improving public health. But many agencies are not yet leveraging this goldmine. In 2024, the most innovative cities, states, and federal departments will be those that digitize their systems, develop appropriate data infrastructures, adopt cross-agency data-sharing platforms, and establish trust with the public regarding the data they collect. That will require hiring and retaining skilled data engineers, data analysts, cybersecurity professionals, and compliance experts.



ZipTips

To attract and retain top talent in the public sector:

1. Increase public awareness of government job opportunities

Publicize job opportunities and internships using popular job search websites, job fairs, and social media. Optimize job postings by making job titles and descriptions clearer and more engaging, highlighting the benefits of public sector careers.

2. Evaluate the impact of remote work and skills-based hiring

Similar to the approach taken by some in the private sector, data on the costs and benefits of remote work and skills-based hiring can help to guide policy on telework and hiring practices.

3. Adopt data-driven policies on remote work and skills-based hiring

Following a formal impact evaluation, agencies should formalize their policies on telework

and hiring practices and release guidelines regarding implementation so candidates and employees can plan for the long term.

4. Prioritize career development

In a recent study, 45% of public sector employees cited a lack of career development as the reason they planned to leave their roles.⁷ Organizations that find meaningful ways to offer learning and development opportunities and increase internal mobility will have a competitive advantage in retaining talent.

5. Partner with higher education

Government agencies and departments have close relationships and joint ventures with Georgetown University and George Washington University. Agencies should broaden the talent pipeline by forging similar connections to other universities and skills development programs.

⁷ "What workers want is changing. That could be good for government," McKinsey & Company, Oct. 26, 2022.



2024 LABOR MARKET OUTLOOK

Healthcare

The State of Healthcare

Demand for healthcare services is steadily rising. While the number of employees nationwide has grown about 40% across all industries since 1990, it has grown 100% in healthcare overall, and almost sixfold in home health services.¹ Sector employment has increased even during recessions—with the exception of the COVID-19 recession. The main reason is that the U.S. population is aging, with 10,000 Americans reaching retirement age each day.² At the same time, chronic disease, dementia, youth depression, and drug addiction are all becoming more prevalent. If trends continue, the healthcare sector—which already accounts for about 17% of U.S. GDP³—is projected to add the most jobs over the coming decade.⁴

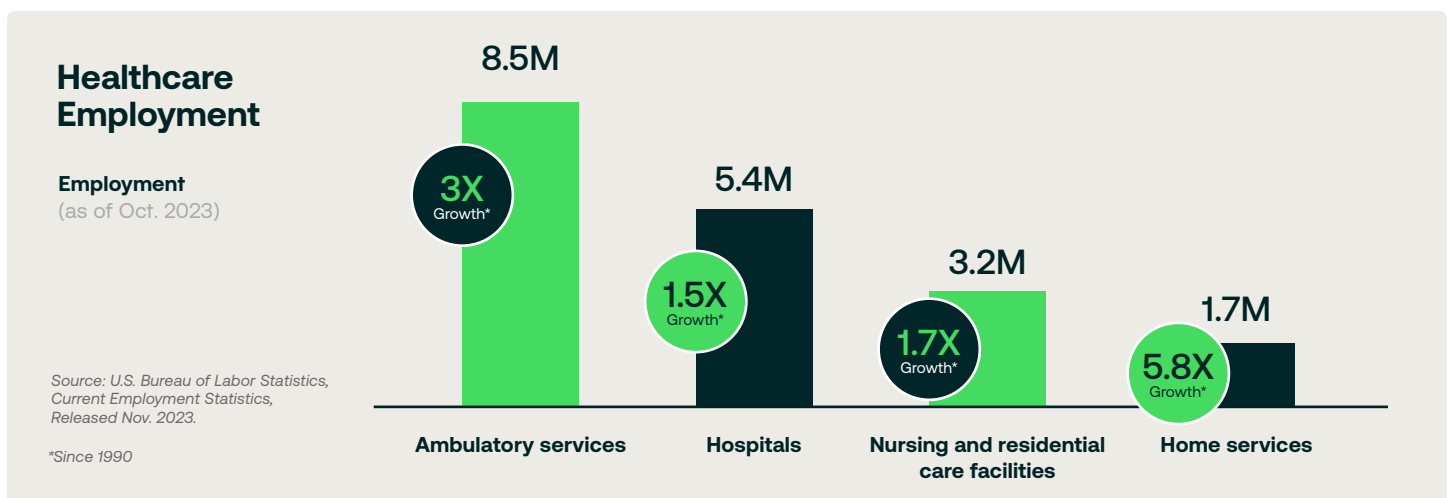
While there is extremely strong demand for medical talent on ZipRecruiter, healthcare is consistently the sector at the greatest risk of labor shortages. Training pipelines are not keeping up with retirement—in part because the onerous and costly education, experience, and licensing requirements scare candidates off; and in part because of the limited

potential for remote work or schedule flexibility to improve job appeal. Many providers cannot easily raise pay to attract and retain more workers since pay is largely constrained by caps on Medicare and Medicaid reimbursement rates, and hospital profit margins are unhealthily low as it is. Another challenge is that healthcare talent tends to be concentrated in the major cities, with few workers prepared to go to more far-flung locations.

Understaffing becomes a self-perpetuating problem as understaffed teams suffer burnout and leave, and their experience deters future generations from entering the field. One study projects that over 6.5 million healthcare professionals will have left the industry by 2026, with only 1.9 million professionals replacing them. That means an industry-wide shortage of more than 4 million workers within the next 2-3 years.⁵ Individual healthcare organizations have limited tools for overcoming what are largely structural labor shortages, but their survival requires doing the best they can under the constraints.

“Healthcare providers and policymakers must urgently confront the organizational problems behind worsening shortages of healthcare professionals, widespread burnout, and job dissatisfaction before they take a larger toll on access and quality of care.”

-Julia Pollak,
ZipRecruiter Chief Economist



1 "Current Employment Statistics," U.S. Bureau of Labor Statistics, Nov. 2023.

2 "Aging," U.S. Department of Health & Human Services.

3 "Experimental Data Map Health Care Estimates in GDP to Centers for Medicare & Medicaid Framework," Bureau of Economic Analysis, Sept. 25, 2023.

4 "Employment Projections: 2022-2032 Summary," U.S. Bureau of Labor Statistics, Sept. 6, 2023.

5 Preston, Rob, "The Shortage of US Healthcare Workers in 2023," Oracle, Jan. 2023.

Three Trends to Watch

1. Telehealth

Telehealth utilization spiked in 2020, then stabilized at a level about 38x higher than before the pandemic.⁶ In the coming years, telehealth is expected to become ever more important for chronic patient care, diagnostic consultations, and mental health—potentially reducing attrition among older physicians and those at risk of burnout who seek greater flexibility and work-life balance.

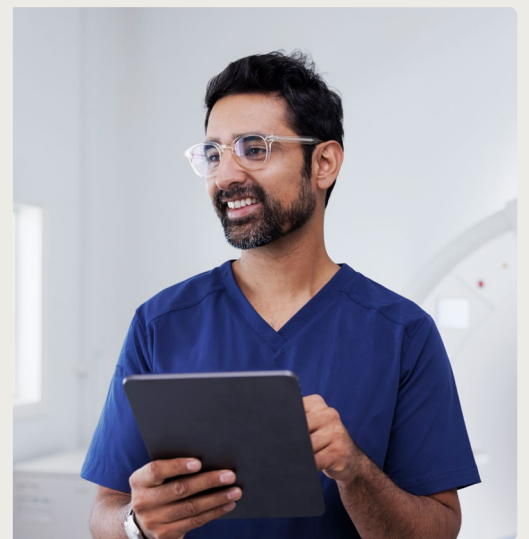


2. Retail health

Retailers like Walmart, Amazon, CVS, and Walgreens have accelerated investments in healthcare and are increasingly competing with traditional providers for health talent. They have a considerable advantage: The median operating profit margin at U.S. hospitals was 1.1% in August '23.⁷ By contrast, the profit margin of healthcare firms on the S&P 500 competing for the same talent was 9.1% in Q3 '23.⁸ As retailers roll out omnichannel care offerings, from prescription delivery to primary care, they will increase the availability of jobs for health workers outside of more traditional settings, putting additional pressure on hospitals.

3. Data-driven care

For the past decade, health organizations have been required to store medical records electronically. According to healthcare IT experts, as much as 95% of hospital data goes unused,⁹ and only 39% of organizations overall make data training available to employees.¹⁰ But gradually, healthcare providers are extracting insights from that data using advanced analytics and artificial intelligence. Over the coming years, healthcare organizations will demand more tech talent and increasingly seek candidates with skills such as data science, programming and database management, data governance and security, population health, and user experience design.



6 Bestsenyy, Oleg, et al. "Telehealth: A quarter-trillion-dollar post-COVID-19 reality?" McKinsey & Company, July 9, 2021.

7 Swanson, Erik, "National Hospital Flash Report: Sept. 2023," Kaufmann Hall, Oct. 2, 2023.

8 Yardeni, Dr. Edward, et al., "S&P 500 Sectors & Industries Forward Profit Margins (weekly)," Yardeni Research, Inc., Dec. 6, 2023.

9 Morse, Susan, "Most data generated is not used to its fullest potential," Healthcare Finance, Apr. 17, 2023.

10 Moody, Kathryn, "Employers want data literacy — but aren't training for it," HR Dive, Mar. 23, 2022.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Travel CT Tech



Travel Radiology Tech



Physical Therapist



Licensed Practical Nurse



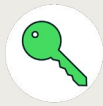
Travel Registered Respiratory Therapist

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Access Services Representative



Remote Inpatient Coder



Medical Claims Processor



Operating Room Scheduler



Medical Receptionist Assistant

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Hardest-to-fill job postings

Based on average # of clicks per posting

The supply of candidates is lowest for these roles:



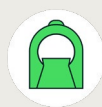
Speech Language Pathologist



Catheterization Laboratory Registered Nurse



Occupational Therapist



CT Technician



ICU Registered Nurse

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Top-performing markets

Based on average # of applies per posting

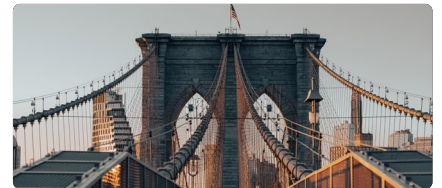
Job seekers in healthcare on ZipRecruiter express greatest interest in these markets:



Dallas, TX



Houston, TX



New York, NY



Los Angeles, CA



Lebanon, TN



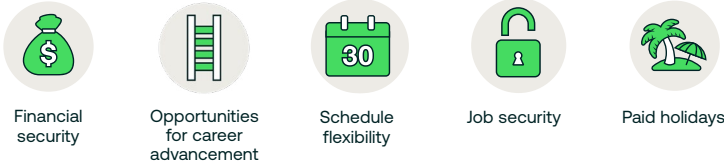
Greater Jackson Area, MS

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

Attracting the Workforce of Tomorrow

What workers want

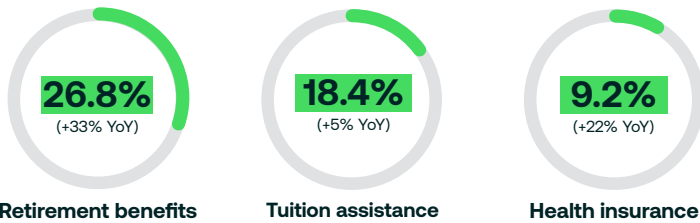
Job seekers like the financial security of healthcare jobs, but wish they had more flexible schedules.



Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

4.8%

of healthcare postings on ZipRecruiter offer remote positions.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

40.4%

of healthcare postings on ZipRecruiter are hourly.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.



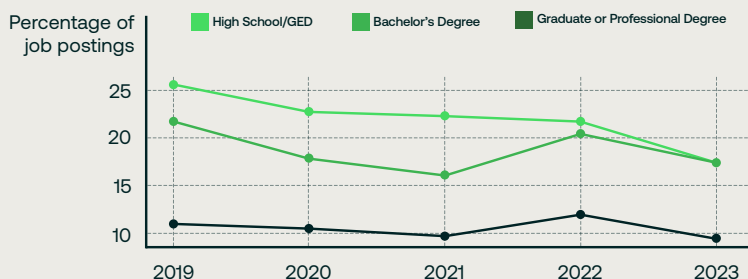
78.9%

of employees in the healthcare sector are women.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

Evolving job requirements

Healthcare employers have widely adopted skills-based hiring practices to expand their talent pools.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.



ZipTips

Staring down worsening labor shortages, healthcare organizations will need to improve their recruitment and development of new talent, and increase their retention of experienced employees.

1. Improve work-life balance

Develop phased retirement programs so employees can reduce their work hours gradually while organizations can retain their knowledge and skills. Introduce returnship programs that allow employees to increase their work hours gradually, e.g. following parental leave. Design roles with part-time hours and more flexible schedules to prevent the loss of skilled employees who would otherwise simply leave.

2. Provide more schedule autonomy

Use advanced scheduling software that makes scheduling hassle-free and gives employees maximum autonomy and flexibility while ensuring that necessary shifts are covered.

3. Highlight workplace wellness tools

Give employees access to tools, such as counseling to help them deal with the emotional strain of losing patients.

4. Offer career advancement opportunities

Provide mentorship programs, new-graduate residency programs, and transition-to-practice programs to attract new graduates and retain ambitious, high-quality staff. Such programs should be designed to help employees move into hard-to-fill specialties, acquire in-demand skills and experience, and advance in their careers.



2024 LABOR MARKET OUTLOOK

Hospitality

The State of Hospitality

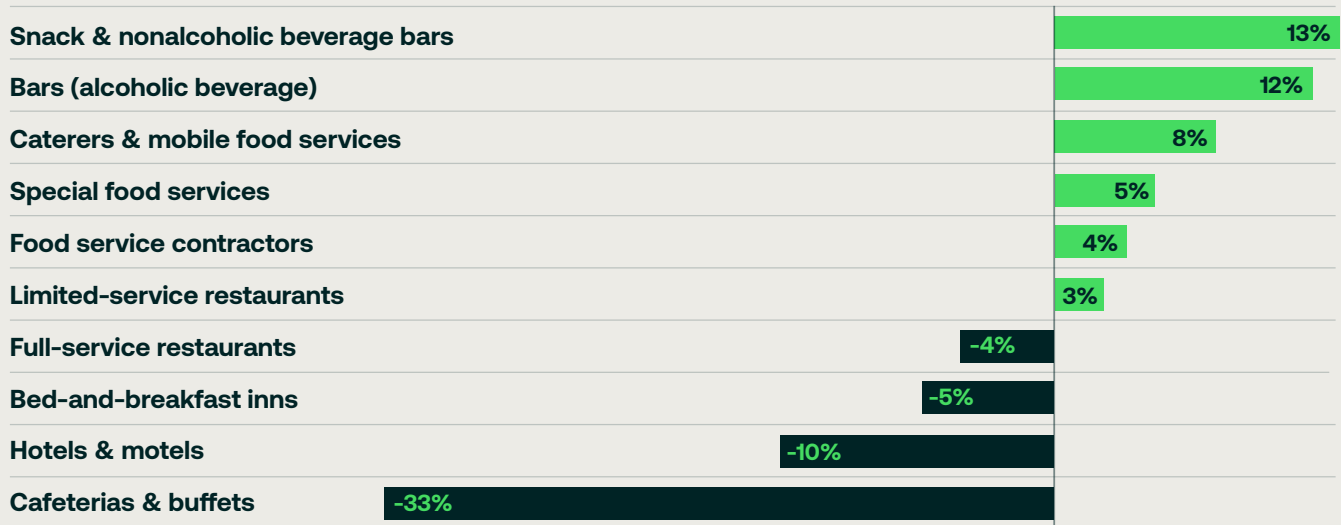
U.S. employment returned to its pre-pandemic level in June, 2022. 18 months later, it has still not fully recovered in accommodation and food services, one of the sectors most heavily disrupted,¹ even though wages have grown faster than any other sector. Over the next decade, industry employment is projected to grow only two-thirds as quickly as in the economy overall as businesses shift from highly labor-intensive full-service restaurants and hotels to leaner versions that rely on self-service and delivery.² One part of the hospitality sector projected to grow rapidly, however, is hospitality technology.

“
 Technology is transforming the hospitality sector. Core service roles will always remain central, but for hospitality companies to attract top tech talent, companies must build a reputation for innovation and forward-thinking.
 ”

-Julia Pollak, ZipRecruiter Chief Economist

Hospitality jobs are moving from high-overhead businesses to leaner, more limited-service businesses

% change in payroll employment since February 2020



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

¹ "Current Employment Statistics," U.S. Bureau of Labor Statistics, Dec. 8, 2023.
² "Employment Projections 2022-2023," U.S. Bureau of Labor Statistics, Sept. 26, 2023.

Future Talent Needs in Hospitality

Since the pandemic, digital, contactless experiences have become ubiquitous—mobile check-in, QR codes for guest management, AI chatbots for reservations, virtual tours, occupancy sensors, self-service restaurant kiosks, and delivery apps that send orders to ghost kitchens. The market for hotel and restaurant tech is booming, as is hiring for back-of-the-house corporate roles involved with leveraging technology and data.

As a result, restaurants and hotels are increasingly competing with major tech companies to fill technical roles that are proving crucial for forecasting demand, optimizing inventory levels, minimizing waste, and identifying trends in consumer behavior. At the same time, they are increasingly using specialized technology for recruiting, onboarding, scheduling, and managing talent in roles at the front of the house efficiently. Businesses will need to strike the right balance between minimizing labor costs and providing the welcoming, personalized customer experience that consumers still value. The enduring appeal of personal service is why 41% of industry job postings on ZipRecruiter still highlight soft skills rather than technical skills as key job requirements.³

Industry Snapshot

Top-performing markets

Based on average # of applies per posting

Job seekers in hospitality on ZipRecruiter express the greatest interest in these markets:



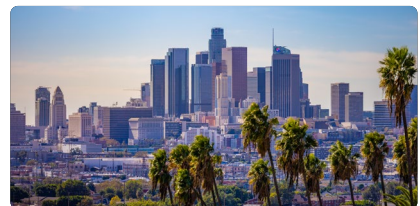
New York, NY



Houston, TX



Clovis, CA



Los Angeles, CA



Chicago, IL



Henderson, NV

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023-Oct. 24, 2023; markets and roles with over 100 postings.

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Housekeeper



Cook



Night Auditor



Restaurant Server



Front Desk Agent

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Administrative Assistant



Front Desk Receptionist



Hotel Services Sales Representative



Restaurant Worker



Club Concierge

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

³ ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

Three Trends to Watch

1. Leaner restaurants

Employment has declined more than 3% in full-service restaurants since before the pandemic, but grown in limited-service restaurants, mobile food trucks, food service contractors, and alcoholic bars. Juice and smoothie bars and other nonalcoholic snack bars have expanded employment most rapidly, by more than 13%.⁴ The shift suggests that jobs are moving from large restaurants with high overhead to stores and stands with a smaller footprint, or to ghost kitchens in lower-cost locations partnered with delivery services.



2. More self-service

Hotel room service was declining before the pandemic, and hotels were already asking customers to reuse their towels, but the pandemic hastened the death of room service and daily housekeeping. Expect the shift towards leaner offerings, self-service, and fees for extras to continue. Hotel guests have now become accustomed to making their own beds and ordering food through delivery apps, and businesses have grown accustomed to the savings.

3. More corporate hospitality roles

Corporate roles accounted for just over 1% of The Cheesecake Factory's global operations in the decade between 2009 and 2018, but over 3% on average since 2020.⁵ The restaurant has been at the forefront of using data to forecast demand and optimize inventory levels and procurement processes. Other restaurants and hotels are making similar investments, expanding their corporate and tech roles while making the rest of their operations leaner and more efficient.



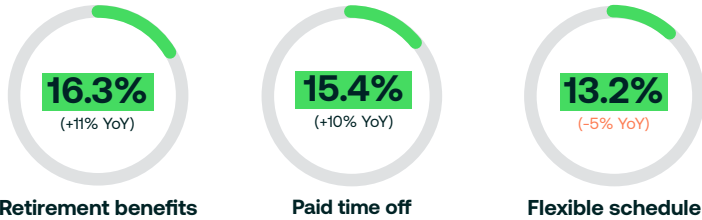
⁴ "Current Employment Statistics," U.S. Bureau of Labor Statistics, Dec. 8, 2023.

⁵ "Number of employees at The Cheesecake Factory worldwide from 2009 to 2022, by segment," the Cheesecake Factory, Feb. 2023.

Attracting the Workforce of Tomorrow

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

3.4%

of hospitality job postings on ZipRecruiter offer remote work.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

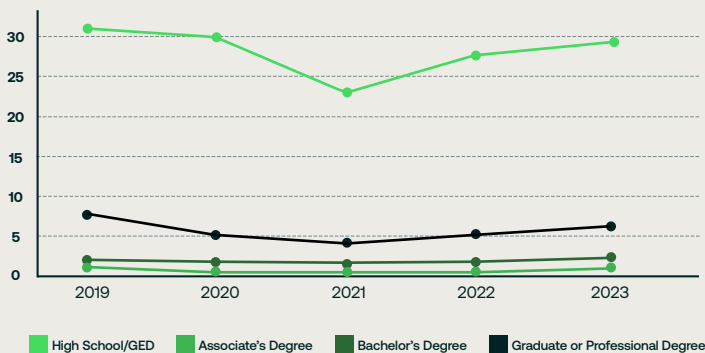
63.7%

of hospitality job postings on ZipRecruiter are hourly.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

Evolving job requirements

Hospitality employers relaxed job requirements when industry labor shortages were most acute, but have since raised the bar again, now that labor supply has partly recovered.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

ZipTips

To recruit and retain hospitality talent at the front of the house while recruiting top tech talent to head office:

1. Fully leverage competitive pay

Since the pandemic, wages have grown fastest in hospitality. The first reason is that the industry has been unable to compete on remote work with industries where flexibility is more feasible. The second is that cities and states have enacted large minimum wage increases. To capture the full productivity benefits of paying more, publicize your pay increases prominently in job postings and company communications to attract higher-quality candidates, then refine your hiring process to secure the best matches.

2. Offer upskilling opportunities

Major fast food chains have made large investments in upskilling their workforce, providing pathways for employees to move from the front of the house to the back of the house, and even to head office. Employees value opportunities to learn and grow at a company, so the investment can have high returns in terms of employee morale, performance, and retention.

3. Boost awareness of tech roles

Many tech candidates are simply unaware of the exciting opportunities in hospitality. Increase the appeal of your tech roles by emphasizing the impact your innovations are having on customer experience. Demonstrate a commitment to staying at the forefront of technology by investing in emerging trends. Provide the flexible work arrangements that tech employees expect, while cultivating a positive and inclusive company culture through frequent online and offline collaboration opportunities. Maintain strong connections between the front of the house, back of the house, and headquarters so that tech investments are made with the end user always in mind and have maximum impact.



2024 LABOR MARKET OUTLOOK

Manufacturing

The State of Manufacturing

U.S. manufacturing punches above its weight, contributing nearly 12% of U.S. GDP while employing just 8.3% of the workforce.¹ American manufacturing companies have more-than-doubled spending on the construction of new factories since the pandemic,² partly due to incentives available under the Infrastructure Investment and Jobs Act (IIJA) of 2021 and the CHIPS and Science Act of 2022.

As U.S. manufacturers embark on ambitious plans to reshore their operations and build out domestic supply chains, employment and output are both poised to surge—if, that is, the full spectrum of required talent pipelines (e.g., factory production workers, machine operators, programmers, data scientists, engineers, and designers) can keep up.

“Manufacturing has seen notable improvements in productivity over the past decades, driven by advancements in automation, machinery, and management practices. But manufacturing jobs tend to be hard, high-pressure, skill-intensive, and they offer less flexibility than many alternatives. Despite above-average productivity growth, industry pay has only grown at an average pace. The success of a domestic manufacturing resurgence will require greater investments in equipping workers with the right technical expertise and retaining them longer.”

-Julia Pollak, ZipRecruiter Chief Economist

Spending on factory construction has risen more than 60% since the pandemic

U.S. manufacturing construction spending, seasonally adjusted



Source: U.S. Census Bureau, Total Construction Spending: Manufacturing in the United States, Jan 1, 2020 - Nov 30, 2023.

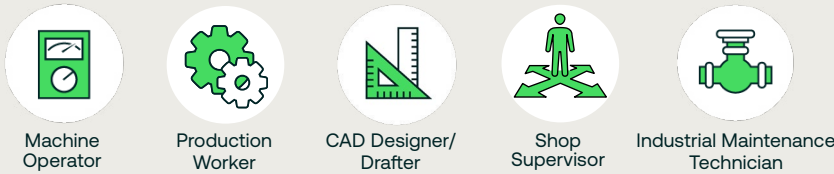
¹ "All Employees, Total Nonfarm," Federal Reserve Bank of St. Louis, Nov. 3, 2023; "All Employees, Manufacturing," Federal Reserve Bank of St. Louis, Nov. 3, 2023.
² "Construction Spending," U.S. Census Bureau, Jan. 2020 - Oct. 2023.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:

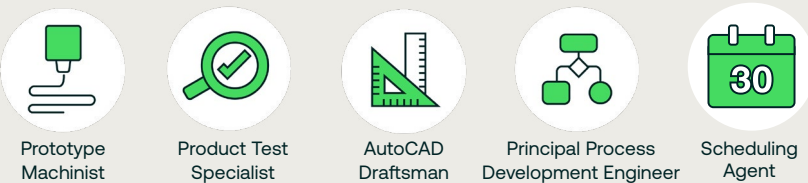


Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

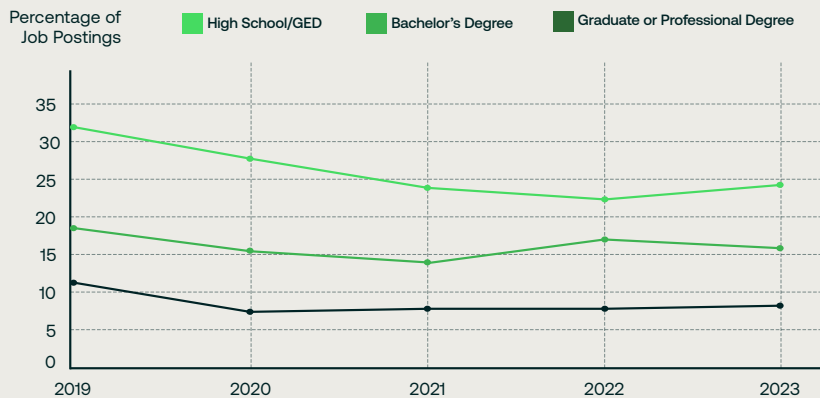
Job seekers on ZipRecruiter express the highest interest in these roles:



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Evolving job requirements

Manufacturers have pared back education requirements due to staffing shortages, but are increasingly investing in apprenticeship programs and other training initiatives.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

Top-performing markets

Based on average # of applies per posting

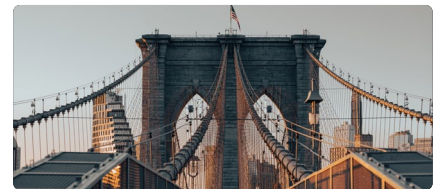
Job seekers in manufacturing on ZipRecruiter express greatest interest in these markets:



Fairburn, GA



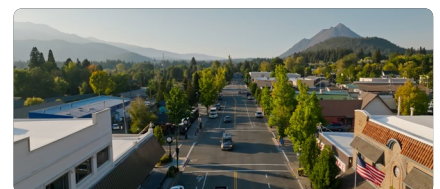
Merrillville, IN



New York, NY



Fort Worth, TX



Turlock/Fresno, CA



Houston, TX

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

Workforce Implications of the Fourth Industrial Revolution

The fourth industrial revolution is well underway, with traditional manufacturing methods giving way to smart, connected systems using technologies such as the Internet of Things (IoT), artificial intelligence (AI), machine learning, big data, and automation. There is a growing demand for workers with skills in AI programming, machine learning, and data analytics to manage and optimize these advanced systems.

Technological transformations brought about by AI and green technologies are raising widespread concerns about job displacement and inequality. Companies are finding it easier to secure buy-in from workers and politicians when they participate in comprehensive workforce development programs that upskill existing employees in-house and equip them with the technological skills required.

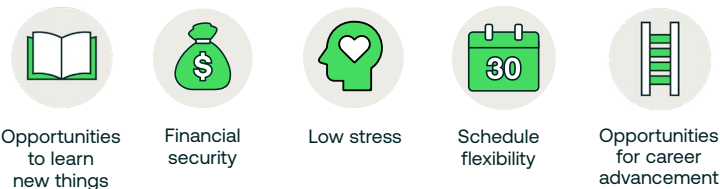
Shortages of manufacturing talent are also compelling employers to design new programs to retain older workers who would otherwise retire and to appeal to other untapped talent pools. For example, philanthropic organizations are providing training to women (who have gone from making up 25% of the manufacturing workforce in 1960 to just 29% now)³ and running apprenticeship programs in high schools to encourage more students to pursue careers in manufacturing.

On ZipRecruiter, only 5.5% of manufacturing roles offered remote work opportunities in 2023, compared with 11% of job postings overall.⁴ To compensate for the lack of flexibility in the location of the work, manufacturing employers are providing greater flexibility in terms of when the work is conducted.

Attracting the Workforce of Tomorrow

What workers want

Job seekers like manufacturing roles for the opportunities to learn and advance their careers.



Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

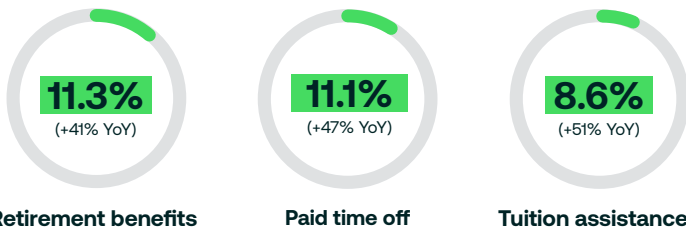
5.5%

of manufacturing job postings on ZipRecruiter offer remote work.

Source: ZipRecruiter, Inc. internal data, Jan. 1, 2023 - Oct. 24, 2023.

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc. internal data, Jan. 1, 2022 - Oct. 24, 2023.

39.5%

of manufacturing job postings on ZipRecruiter are hourly.

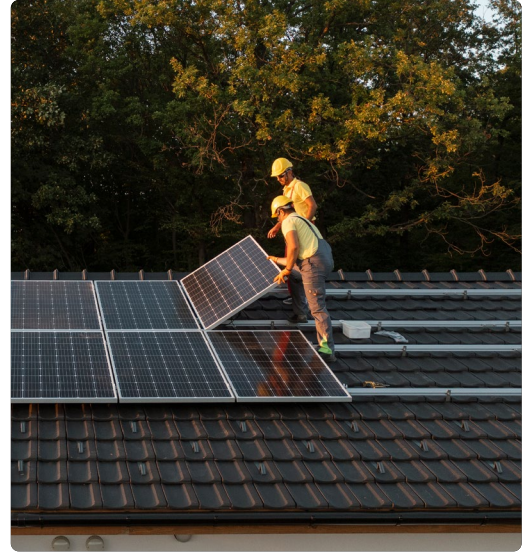
Source: ZipRecruiter, Inc. internal data, Jan. 1, 2023 - Oct. 24, 2023.

³ "Current Employment Statistics," U.S. Bureau of Labor Statistics, Jan. 1960 - Nov. 2023.
⁴ ZipRecruiter, Inc. internal data, Oct. 24, 2023.

2024 Spotlight: Sustainable Manufacturing

Sustainable manufacturing is surging globally as consumers demand more solar panels and electric vehicle chargers, and as they increasingly value environmental responsibility in the manufacturing of their cellphones and sneakers. The shift has led to greater emphasis on resource efficiency, recycling, and waste reduction, as well as more eco-friendly materials. Companies are also increasingly shifting to renewable energy sources with a view towards net-zero emissions.

These shifts are making manufacturing jobs more appealing to people who value sustainability and environmental stewardship. They are also increasing industry demand for skilled workers in sustainable technologies, renewable energy, and environmental management. The broader industry shift underscores the need for a versatile and high-skilled workforce.



ZipTips

Manufacturing companies are facing an aging workforce and an impending wave of retirements. At the same time, many are struggling to recruit younger workers. Here are some steps companies can take to build a sustainable and resilient workforce:

1. Invest in training and upskilling

Prepare existing employees for evolving roles and emerging technologies by addressing skills gaps and reducing worker opposition to technological change. Adopting advanced technologies and training workers to use them makes manufacturing roles more appealing to a tech-savvy modern workforce.

2. Collaborate with educational institutions

Forge partnerships with vocational schools, community colleges, and universities to create tailored programs that align with the skills needed in manufacturing. Participate in school outreach programs, career fairs, and industry events to showcase the exciting and technologically-advanced opportunities available in modern manufacturing. Encourage students to pursue careers in the industry through internships and apprenticeships.

3. Adopt flexible work arrangements

Make roles attractive to a wider talent pool by implementing part-time or phased retirement programs and adopting scheduling processes that respect employee preferences and provide some autonomy.

4. Promote diversity and inclusion

As manufacturing roles become more technologically-advanced and flexible, they will become more appealing to a wider range of workers. Encouraging women, minorities, and individuals from different backgrounds to join the manufacturing workforce can help mitigate skill shortages.

5. Promote employee well-being

Provide a safe, comfortable, ergonomic workplace. Survey employees to find out how to best increase engagement and reduce turnover.

6. Provide competitive compensation and benefits

Many manufacturing workers have alternative options that are more flexible, less stressful, and better-paid. Pay will need to become more competitive to compensate employees for relatively less flexibility. Since the pandemic, many manufacturers have implemented pay-for-performance programs that have boosted employee productivity and given workers opportunities to increase their income substantially.



2024 LABOR MARKET OUTLOOK

Professional &
Business Services

The State of Professional & Business Services

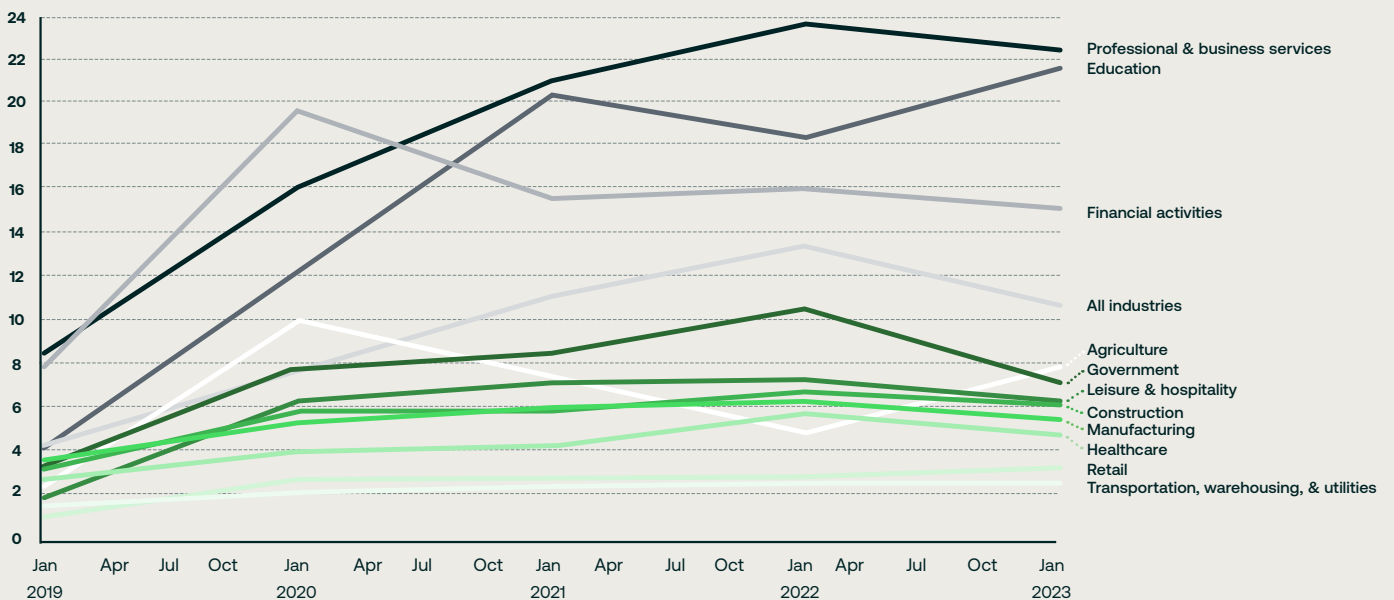
The professional and business sector is the largest employment category in the U.S., followed closely by the public sector and healthcare. It is also growing faster than average, having expanded by 25% over the past decade, compared with 16% growth in employment overall, as employment opportunities have moved from manual labor-intensive production sectors to more knowledge-intensive service sectors.¹ The sector now employs nearly 23 million people as software developers, accountants, lawyers, general managers, administrative assistants, researchers, and the like, in the kinds of white-collar office jobs most affected by the recent shift to remote work and most susceptible to disruption by artificial intelligence in the coming decade.

“The white-collar jobs most transformed by the recent shift to remote work are also most susceptible to disruption by artificial intelligence and most likely to experience a productivity explosion.”

-Julia Pollak,
ZipRecruiter Chief Economist

Remote job opportunities are most prevalent in the professional and business services sector

% of job postings on ZipRecruiter offering remote or hybrid work, by sector



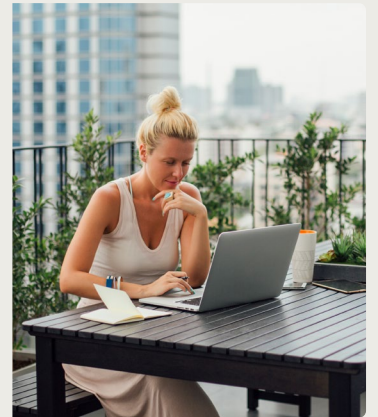
Source: ZipRecruiter, Inc., internal data, Jan. 2019 - Oct. 2023.

¹ U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

Three Trends to Watch

1. Remote work

Remote work has taken off in professional and business services, especially since the pandemic. The rise of remote work has made business roles more flexible and, therefore, substantially more attractive to workers than ever before, attracting large numbers of applications per role. Remote work has also given companies access to a wider talent pool across the country and beyond its borders. Together, those factors have reduced recruitment and retention difficulties for employers across the sector but increased the importance of management best practices and the adoption of integrated enterprise software solutions.

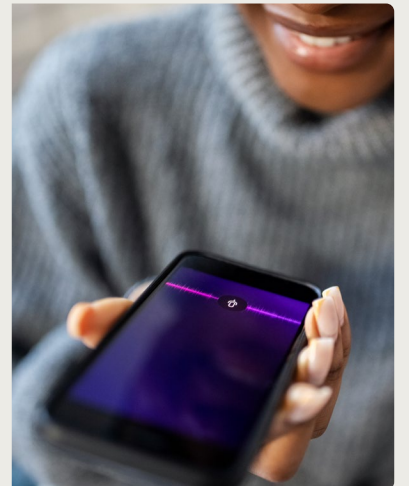


2. The software revolution

The rise of software and Software as a Service (SaaS) has not only streamlined business processes and fostered collaboration but also fundamentally altered required skill sets and job roles across various industries, as ZipRecruiter job posting data clearly shows. The number of coding languages and software tools listed as skill requirements in job postings proliferates every year. While software has undoubtedly replaced some jobs—as in the case of online travel booking platforms reducing demand for travel agents—business roles have grown rapidly over the past decade rather than being automated away. Many “new-collar” jobs have been created that no longer require traditional degrees but rather require workers to demonstrate expertise using a set of platforms or software tools and willingness to acquire new digital skills as technology advances. Slower-to-adapt industries, like the public sector, healthcare, and education, are belatedly embarking on the kind of software transformation seen previously in sales and marketing.

3. Artificial intelligence

AI-related job openings on ZipRecruiter have grown rapidly over the past decade. There is some evidence that the companies hiring AI talent have reduced hiring in non-AI positions, but employment levels in those companies have not changed overall, according to recent research.² That is likely because AI is currently able to replace some job tasks, but not entire jobs, and because it raises productivity, which fuels growth and creates new jobs. In early studies, generative AI has been found to raise productivity by narrowing the productivity gap between the highest and lowest performers.³ That finding suggests that generative AI could lower barriers to entry in some occupations and relax the labor supply constraint currently hindering so many employers.



² Daron Acemoglu, et al, “AI and Jobs: Evidence from Online Vacancies,” NBER Working Paper 28257, Dec. 2020.

³ Erik Brynjolfsson, et al, “Generative AI at Work,” NBER Working Paper 31161, April 2023; and Shakked Noy and Whitney Zhang, “Experimental Evidence on the Productivity Effects of Generative Artificial Intelligence,” March 1, 2023.

Fastest-growing major occupations in professional, scientific, and technical services

Largest 20 occupations in the professional, scientific, and technical services sector, ranked by % growth in employment between 2012 and 2022.

	Occupation	Employment in 2012	Employment in 2022	% Growth
1	Marketing & Sales Managers	60K	159K	167%
2	General & Operations Managers	197K	398K	102%
3	Computer & Information Systems Managers	90K	180K	100%
4	Miscellaneous Sales Representatives, Services	124K	245K	97%
5	Market Research Analysts & Marketing Specialists	118K	230K	94%
6	Management Analysts	202K	336K	66%
7	Software & Web Developers, Programmers, & Testers	615K	886K	44%
8	Computer Support Specialists	186K	255K	37%
9	Paralegals & Legal Assistants	201K	268K	34%
10	Customer Service Representatives	134K	178K	34%

Source: U.S. Bureau of Labor Statistics, Occupational Employment and Wage Statistics, 2012 - 2022.

Top-performing markets

Based on average # of applies per posting

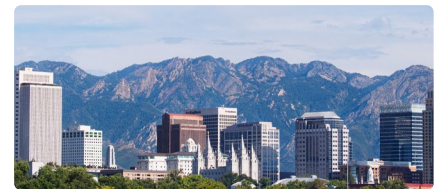
Job seekers in professional and business services on ZipRecruiter express greatest interest in these markets:



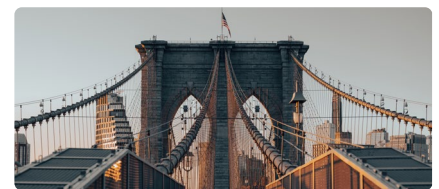
Los Angeles, CA



Boston, MA



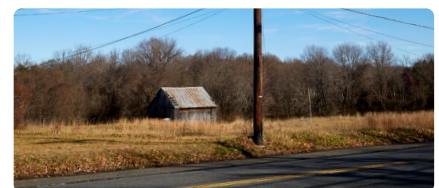
Salt Lake City Metro Area, UT



New York, NY



Chicago, IL



Greater Upper Marlboro Area, MD

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Artificial Intelligence/
Natural Language
Processing Data
Scientist



Endpoint
Application
Engineer



Cybersecurity/
Information
Security Architect



Data Analyst,
People Analytics



Strategic Account
Manager

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Virtual Assistant



Data Entry
Processor



Game Tester



Remote Recruiter



Legal
Transcriptionist

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Attracting the Workforce of Tomorrow

What workers want

Job seekers like business services roles for the financial security and career advancement they provide, and seek out roles that aren't stressful.



Financial security



Opportunities for career advancement



Paid vacation



Stress free



Job security

Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

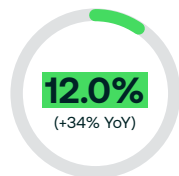
48.8%

of professional & business service job postings on ZipRecruiter list soft skills.

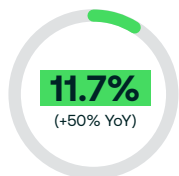
Source: ZipRecruiter, Inc. internal data, Jan. 1, 2023 - Oct. 24, 2023.

Trending benefits

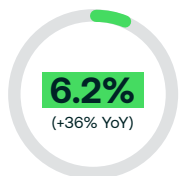
Mentions of benefits in job postings on ZipRecruiter



Paid time off



Retirement benefits



Tuition assistance

Source: ZipRecruiter, Inc. internal data, Jan. 1, 2022 - Oct. 24, 2023.

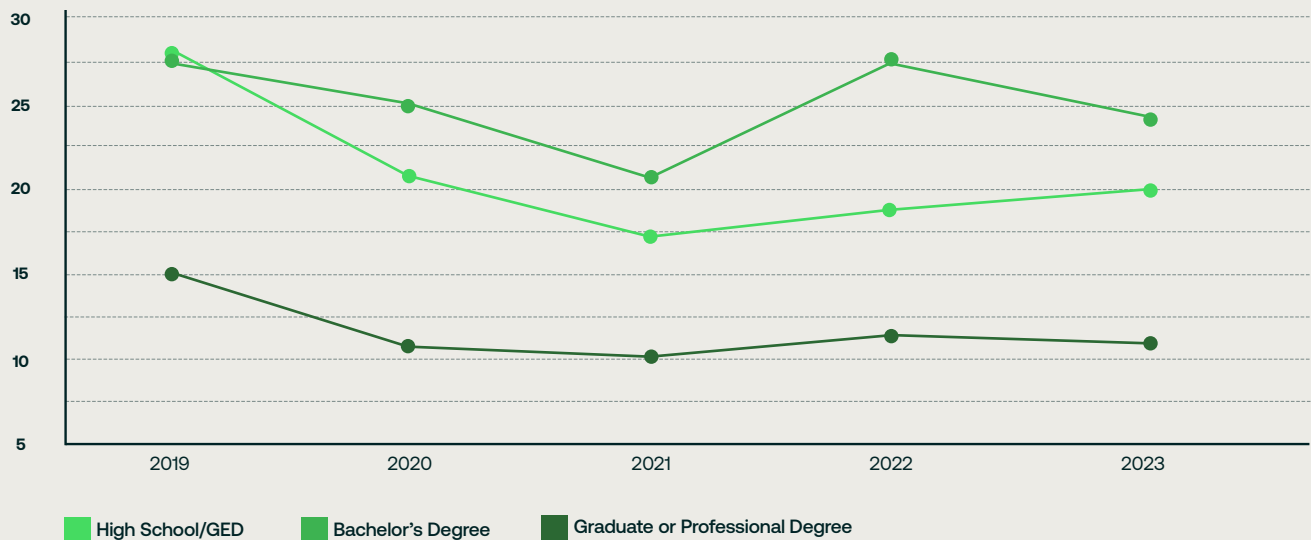
23.0%

of professional & business service job postings on ZipRecruiter are remote.

Source: ZipRecruiter, Inc. internal data, Jan. 1, 2023 - Oct. 24, 2023.

Evolving job requirements

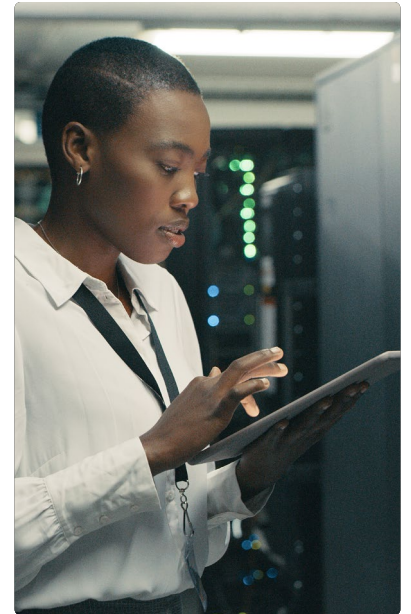
Education requirements for business services jobs fell between 2019 and 2021 and have partially rebounded since, but are still lower than before the pandemic.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

Women in Professional and Business Services

The professional and business services sector in the U.S. is roughly gender-balanced and has been since the Labor Department started collecting relevant data in 1990, with women making up 46% of workers.⁴ On average, female representation tends to be growing fastest in the business service sub-industries that are adding the most jobs overall. Across 74 industries within the sector, for example, the share of women employees has risen in 46 industries and fallen in 28 industries since 1990, with the changes fairly modest in most cases. Larger swings have taken place in marketing consulting (where the share of women employees has risen nearly 12 percentage points) and management consulting (+9ppt), graphic design services (+12ppt) and architectural services (+9ppt), janitorial services (+11ppt), and investigation and security services (+9ppt). Meanwhile, travel agencies and temp agencies, which were once majority female, have become more gender-balanced, both seeing the female share decline by almost 8 percentage points. Women could become even more prevalent in the sector by the end of the decade as women's labor force participation rises overall and more women graduate with computer-related degrees.



ZipTips

To attract and retain top talent in professional and business services:

1. Follow evolving best practices for managing remote workers

As companies continue to experiment and learn, there is significant variation when it comes to the degree of remote work flexibility they offer workers and the strategies they use to encourage collaboration. Employers should follow the emerging research on best practices and survey employees at all levels to learn which approaches work best for each team.

2. Adopt a comprehensive change management strategy

With frequent changes to business processes and technological solutions, employees can experience fatigue. Employers can modernize more quickly and effectively if they engage employees early and often, articulate a compelling vision, offer support for needed reskilling and upskilling, and learn from feedback.

3. Build successful AI teams

Incorporating generative AI into a company's operations requires a multidisciplinary team with expertise in various areas, including artificial intelligence, machine learning, data science, software engineering, user experience, ethics and compliance, and cybersecurity. It typically also requires a significant investment in upgrading existing data collection and management processes. Since AI experts with experience developing successful products are still rare, prepare to face stiff competition for external talent. Consider building teams comprised of external experts where needed, along with upskilled internal talent.

4. Stay informed on AI advances

Many observers initially speculated that AI tools would make superstar employees many times more productive, enabling companies to replace multiple lower-productivity employees with one superstar. Recent studies examining the effects of access to generative AI tools on customer support employees and writers have found the opposite—that top performers see little improvement while less-productive employees reap large productivity gains. That finding has very different implications for staffing. The productivity effects of generative AI tools will likely differ across functions and roles, with implications for staffing plans and recruitment efforts.

⁴ U.S. Bureau of Labor Statistics, Current Employment Statistics, December 8, 2024.



2024 LABOR MARKET OUTLOOK

Retail

The State of Retail

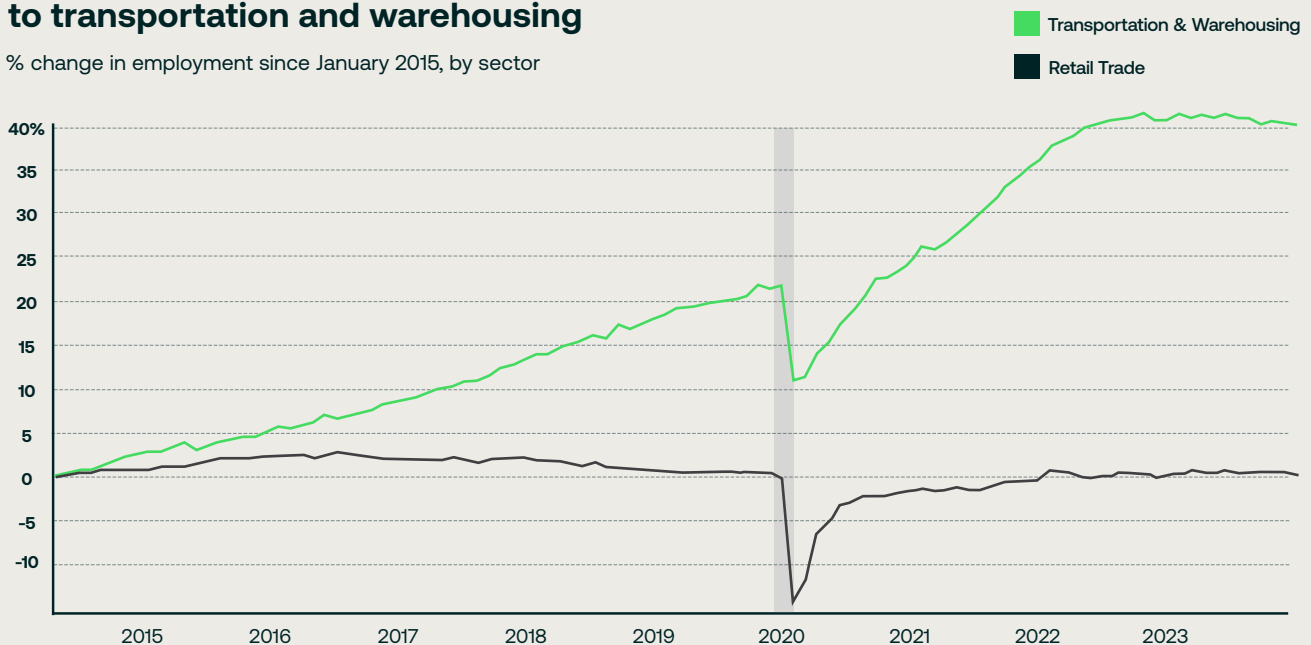
Retail sales have risen about 34% since before the pandemic,¹ but retail employment has barely budged.² That's partly because e-commerce sales have risen from 11.2% of all retail sales in Q4 2019 to 15.6% in Q3 2023.³ E-commerce is not only less labor-intensive than traditional brick-and-mortar retail, it also channels workers into different roles, most notably in transportation and warehousing, which have expanded roughly 15% since early 2020.⁴

Retail and e-commerce remain highly competitive businesses that are constantly evolving with new technologies and shifting consumer tastes. While retail roles typically receive relatively large numbers of applications per job, seven out of 10 retail executives described labor as their number one challenge in 2023.⁵ Businesses know that having skilled employees increases sales revenues, improves shopper experiences, boosts customer loyalty and retention, and enhances their brands. Despite recent increases in pay and benefits, many retailers continue to struggle when it comes to attracting and retaining personable, professional, reliable employees who are effective at sales and customer service.

“
 In a notoriously competitive business environment, successful retailers will differentiate themselves through a combination of customer experience, product innovation, efficient operations, and strategic use of technology— all of which will require a diverse range of talents and skills.”
 —Julia Pollak, ZipRecruiter Chief Economist

The e-commerce effect: jobs have shifted from retail to transportation and warehousing

% change in employment since January 2015, by sector



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Jan. 2015 - Nov. 2023.

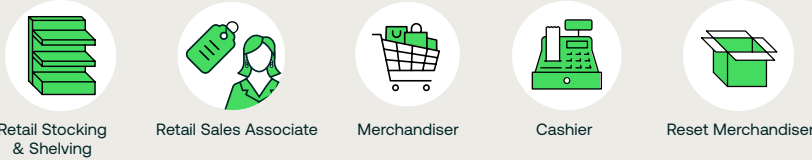
1 "Advance Retail Sales," U.S. Census Bureau, Nov. 15, 2023.
 2 "Current Employment Statistics," U.S. Bureau of Labor Statistics, Dec. 8, 2023.
 3 "E-Commerce Retail Sales as a Percent of Total Sales," U.S. Census Bureau, Nov. 17, 2023.
 4 "Current Employment Statistics," U.S. Bureau of Labor Statistics, Dec. 8, 2023.
 5 Wilson, Marianne, "Deloitte: Retail's three hot-button issues — and biggest challenge — in 2023 are ...," Chain Store Age, Jan. 13, 2023.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:

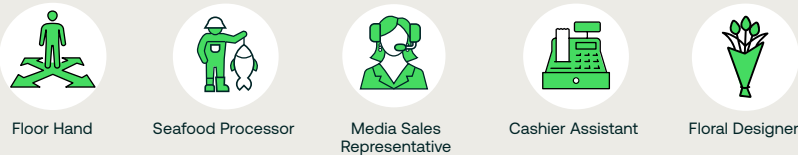


Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

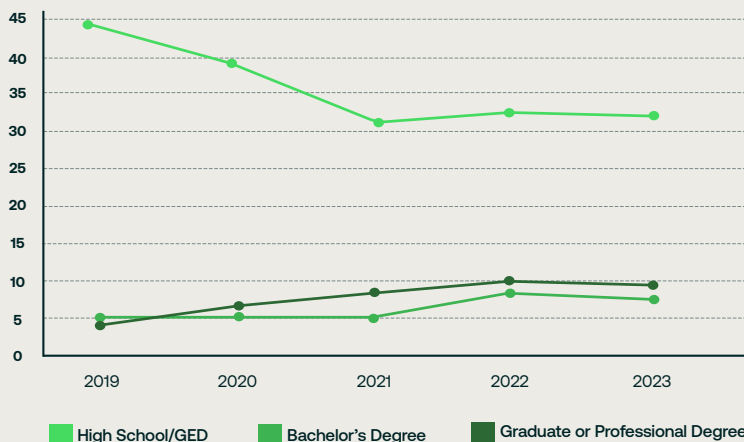
Job seekers on ZipRecruiter express the highest interest in these roles:



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Evolving job requirements

Fewer retailers are insisting on high school completion for retail associate, warehouse worker, and driver roles. At the same time, they are increasingly requiring advanced graduate or professional degrees as they become more technologically-advanced.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

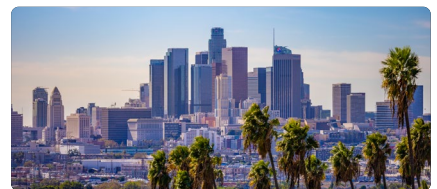
Top-performing markets

Based on average # of applies per posting

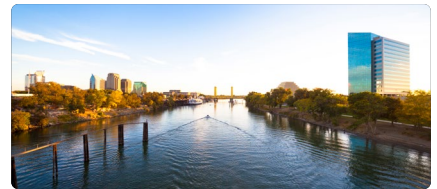
Job seekers in retail on ZipRecruiter express greatest interest in these markets:



New York, NY



Wider Los Angeles Area, CA



West Sacramento, CA



Palm Springs, CA



Las Vegas, NV



Monteca, CA

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

Four Trends to Watch



1. Self-service

The adoption of self-service checkout machines, once unpopular, has surged since the pandemic, with businesses now rapidly expanding and upgrading the technology. This shift is expected to reduce cashier positions but increase hiring of salespeople and customer support staff. However, some companies have concerns regarding workforce diversity, because a significant number of cashiers are women.⁶ To address this, businesses are providing reskilling opportunities and recruiting more women into male-dominated fields.

2. Social commerce

Social commerce and the influencer economy have become indispensable for retailers, with 91% selling on social media.⁷ Younger generations are increasingly making purchases based on social media influences, creating job opportunities in social media marketing and influencer partnerships.



3. Digital experience

Retail is undergoing a digital experience transformation, with interactive kiosks, in-store apps, and virtual try-ons becoming common. Retailers are heavily investing in digital, cloud-based, AI-driven, and sensor-driven automation, competing with major tech companies for talent.

4. Optimized delivery and return

Given growing customer demand for same-day and next-day delivery, retailers are increasingly optimizing their delivery and return processes. They are investing in data analytics to understand what drives returns and optimize reverse logistics systems. Retailers increasingly need highly skilled customer service staff at the point of return to strengthen connections with customers and offer personalized exchanges.



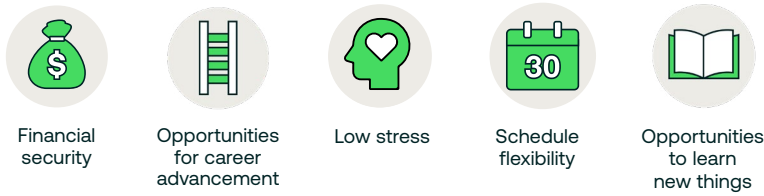
6 "Current Population Survey," U.S. Bureau of Labor Statistics, Jan. 25, 2023.

7 "The top retail trends in 2023," Retail Dive, May 1, 2023.

Attracting the Workforce of Tomorrow

What workers want

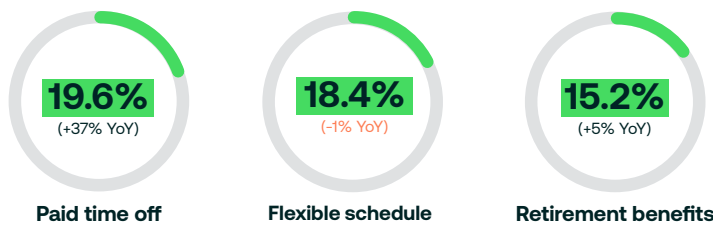
Job seekers like retail roles for the financial and career advancement opportunities they provide.



Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

54.7%

of retail job postings on ZipRecruiter list soft skills.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

62.4%

of retail job postings on ZipRecruiter are hourly.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

“Retail 2.0”: Technologists and the Retail Transformation

As technology transforms the retail industry, demand for tech workers continues to rise. On ZipRecruiter, there are currently more jobs for software engineers at retail companies than at tech firms. Greater personalization in retail will require artificial intelligence and data science, with employer demand for relevant skills rising. Retailers will have to develop their own customer data platforms to track consumer behavior if they hope to keep up with customers’ expectations for ever-more-personalized shopping experiences. Retailers who offer both brick-and-mortar and digital channels are increasingly developing systems to merge siloed data and create seamless shopping experiences. As these changes gain momentum, roles like UX Designer and Technical Product Manager are growing rapidly.

ZipTips

As the industry struggles to hire against attrition and attract digital talent from tech companies, retailers will need to:

1. Prepare the workforce for technological change

Analyze the workforce implications of emerging technologies, and invest early in employee reskilling and career transition programs.

2. Define clear job descriptions

Clearly outline the responsibilities, qualifications, and expectations for each role. This helps attract candidates with the specific skills and attributes needed to drive current industry trends.

3. Modernize employee experience

Introduce technology into the employee experience, not only the customer experience. For example, use centralized HR solutions for scheduling requests, shelf-scanning robots to eliminate tedious manual tasks, and online learning management systems for employee training.

4. Assess soft skills during the hiring process

Beyond technical skills, evaluate candidates’ soft skills, such as communication, adaptability, and teamwork. These skills are crucial for navigating industry trends effectively.

5. Introduce special incentives for hard-to-fill roles

Retailers specifically struggle to fill unpleasant jobs (like those involving meat service) and those requiring experience (like retail manager roles). Special incentives and rewards can help make those roles more attractive.



2024 LABOR MARKET OUTLOOK

Transportation & Warehousing

The State of Transportation & Warehousing

The transportation and warehousing sector has emerged as the fastest-growing industry, both in the aftermath of the pandemic and throughout the past decade. While many services have successfully undergone digital transformation, time and space constraints have propelled the need for physical transportation and warehousing solutions. The surge in e-commerce from 0.6% of retail sales in 1996 to 15.6% today,¹ and increased consumer demand for rapid and reliable shipping, have been a major driving force.

The industry faces several pressing workforce issues, such as shortages of drivers and warehouse workers, an aging trucking workforce, high employee turnover, and relatively high accident and injury rates. Some companies have responded to hiring challenges by relying on independent contractors, but they are often scarce. The surge in e-commerce from 0.6% of retail sales in 1996 to 15.6% today, along with increased consumer demand for rapid and reliable shipping, have been major driving forces for this trend.



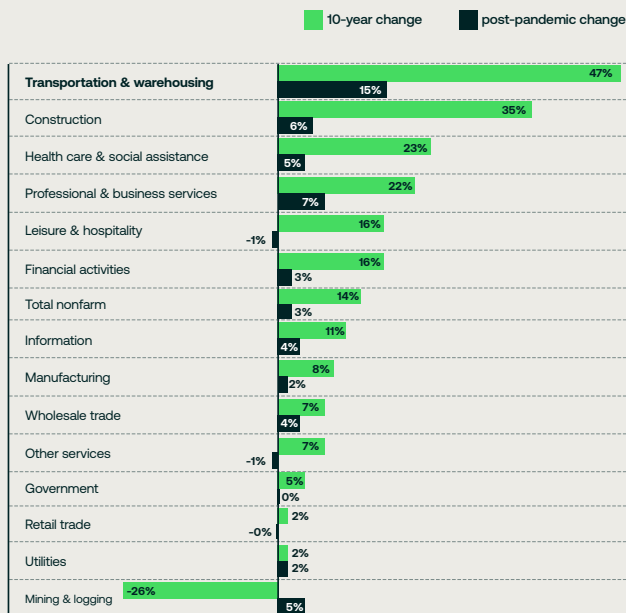
The 2020s are reminiscent of the transformative Roaring Twenties in that transportation is once again at the forefront of innovation. Then, it was the technological leap from horse-drawn carriages to automobiles and tractors. Now, it's the leap from gas-powered, driver-operated cars and trucks to electric and autonomous ones. Both shifts have sweeping implications for the labor market and the country's economic geography.

-Julia Pollak,
ZipRecruiter Chief Economist



The transportation & warehousing sector has added the most jobs since the pandemic, and over the past decade

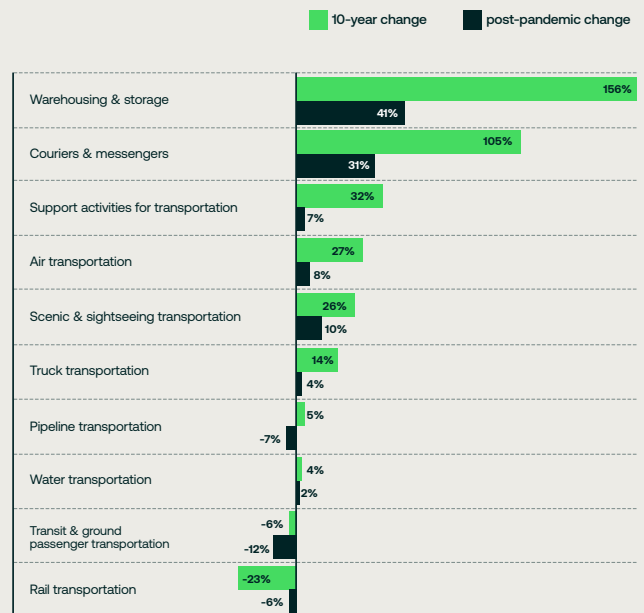
% change in payroll employment, Nov. 2013 - Nov. 2023, and Feb. 2020 - Nov. 2023



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

Within the sector, the warehousing & storage category has added the most jobs

% change in payroll employment, Nov. 2013 - Nov. 2023, and Feb. 2020 - Nov. 2023



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

¹ "Quarterly Retail E-Commerce Sales," U.S. Census Bureau.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Corporate Pilot



Freight Dispatcher



Materials Inspector



Transportation Agent



Logistics Support

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



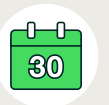
Distributor



Van/Box Truck Operator



OTR Tanker Truck Driver



Truck Dispatcher



Warehouse Order Puller

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Mismatches Between Supply and Demand

In the transportation sector, mismatches between employer demand and labor supply often appear to be driven by insufficient candidate awareness about what the roles entail. For example, airline job candidates are often drawn to flight attendant roles due to the travel discounts, unaware that ground employees receive the same perks. Trucking candidates are often unaware of how much more they could earn as tanker drivers. Employers can address some of these localized shortages with more informative job descriptions and more visible, persuasive, inclusive recruitment marketing efforts.

Top-performing markets

Based on average # of applies per posting

Job seekers in transportation and warehousing on ZipRecruiter express the greatest interest in these markets:



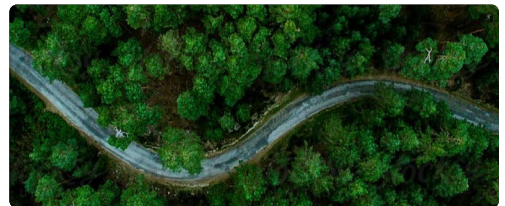
New York, NY



Greater Houston area, TX



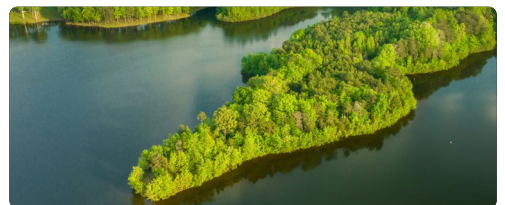
Greater Los Angeles area, CA



Forest Park, GA



Las Vegas, NV



Burlington, NC

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

Three Trends to Watch

1. Supply chain agility

Following the experience of supply chain disruptions during the pandemic, companies are proactively reinventing their logistics processes for greater efficiency, flexibility, and resilience. That means strategically positioning inventory closer to buyers or across multiple fulfillment centers, adopting advanced inventory management systems, diversifying transportation methods, automating last-mile deliveries, and delivering multi-channel fulfillment. Logistics support roles key to the transformation are among the fastest-growing on ZipRecruiter² and are projected to grow 18% over the next decade—far faster than average.³

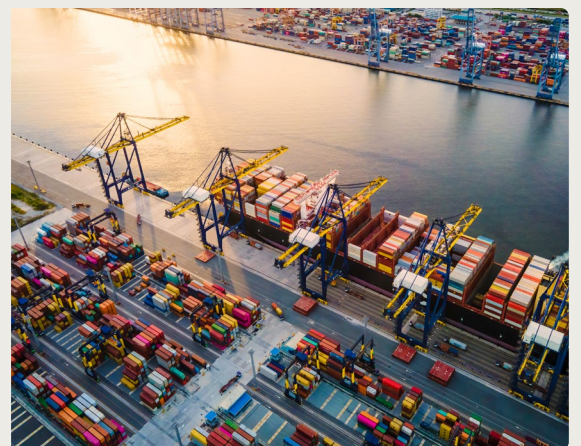


2. Digitalization and automation

The transportation and warehousing industry has the third-highest automation potential of any sector, according to McKinsey Global Institute.⁴ Sophisticated warehouse management systems have become table stakes, and companies are increasingly investing in next-generation technologies, such as robotic picking systems, automated guided vehicles, delivery drones, and predictive models. These technologies promise to improve efficiency and help the industry overcome labor shortages, but they will require a large investment in new equipment, software, and tech talent.

3. Reshoring and nearshoring

Due to lessons learned during the pandemic, ongoing U.S.-China tensions, and government incentives, U.S. companies are increasingly pledging to “reshore” or “nearshore” their production domestically or locate it in Mexico. We could see a decline in demand for international air cargo and sea freight transportation services across the Pacific, alongside higher demand for warehousing along the southern border. We could also see higher demand for local warehousing and land transportation services throughout the U.S.



² ZipRecruiter, Inc. internal data, Jan. 1 - Oct. 24, 2023; roles with over 100 postings.

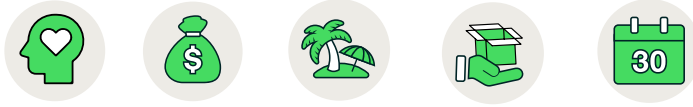
³ “Occupational Outlook Handbook, Logisticians,” U.S. Bureau of Labor Statistics, Dec. 13, 2023.

⁴ Dekhne, Ashutosh, et al. “Automation in logistics: Big opportunity, bigger uncertainty,” McKinsey & Company, April 24, 2019.

Attracting the Workforce of Tomorrow

What workers want

Job seekers like transportation and warehousing roles for the low stress and financial security they provide, but are looking for positions that are not too physically demanding.



- Low stress
- Financial security
- Paid holidays
- Work that is not physically demanding
- Schedule flexibility

Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

49.2%

of transportation and warehousing job postings on ZipRecruiter are hourly.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

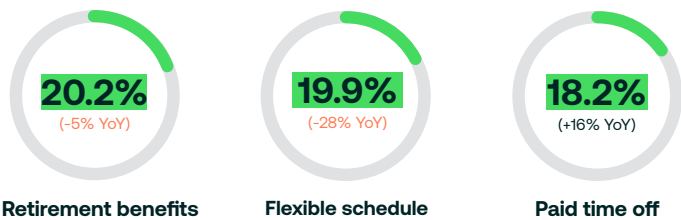
2.5%

of transportation and warehousing job postings on ZipRecruiter are remote.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

Trending benefits

Transportation and warehousing jobs on ZipRecruiter are increasingly offering paid time off, but mentions of retirement benefits and schedule flexibility have declined over the past year.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

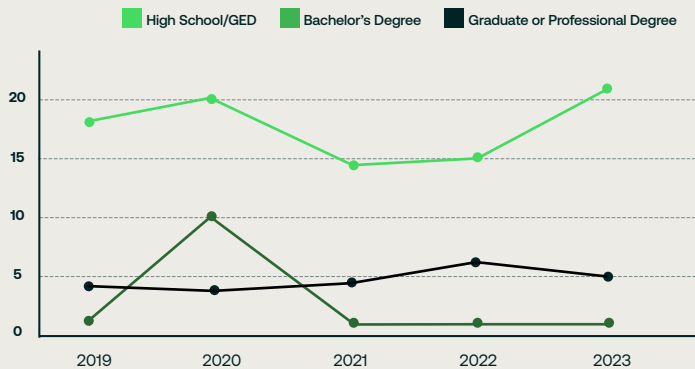
Job Quality and the War for Talent

When consumer demand shifted from services to goods during the pandemic, the surge in demand for shipping—and for the drivers, warehouse workers, and logistics specialists—led employers to bulk up pay and benefits. Many also improved non-monetary aspects of their roles, such as the use of more ergonomic assistive technologies, greater schedule flexibility, and improved safety procedures.

Shipping demand has since normalized, and industry employment ebbed. However, it still remains well above its pre-pandemic trend because the structural shift to e-commerce has largely offset the recent cyclical correction. Wage growth pressures and worker demands for better working conditions are also unlikely to abate in a labor market with below -4% unemployment and a wide array of competing employment opportunities that offer greater flexibility.

Stable job requirements

Warehousing jobs have a relatively low bar to entry, but driving jobs typically require commercial driving licenses and clean driving records. There has been little change in requirements in recent years, other than increased demand for tech professionals with advanced degrees.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

Women in Transportation and Warehousing

Women rapidly rose from 11% to 27% of the transportation and warehousing workforce between 1972 and 2001,⁵ but have not made further inroads since. Attract female talent by creating mentor programs, offering flexible working hours and highlighting your commitment to safety.

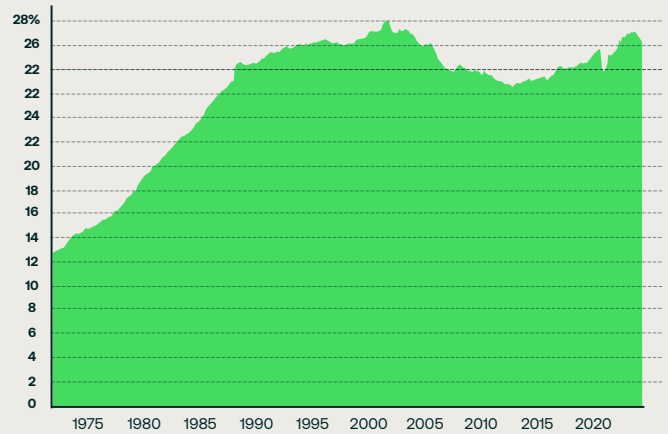
27%

of transportation and warehousing employees are women.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

The female share of transportation & warehouse workers appears to have peaked

Women as a % of all the employees, seasonally adjusted



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

2024 Spotlight: New Jobs Being Created by the Transition to Electric Vehicles

The White House has declared its aim of making 50% of all new vehicles sold in the U.S. in 2030 zero-emission vehicles,⁶ and the state of California has outlined a state target of 100% by 2035.⁷ Many of the nation's leading logistics companies have signed onto ambitious electric vehicle targets for their fleets.

Reaching these goals will be a tall order, but steady progress toward them is almost certain, not only due to government pressure but also because renewable energy sources and batteries are becoming ever more competitive on price. Already, jobs necessary for the transition are on the rise, including: EV Infrastructure Planners, EV Fleet Managers, EV Charging Maintenance Technicians, and Fleet Data Analysts.

ZipTips

To recruit and retain top talent:

1. Showcase modern fleets

Communicate your investment in a modern and well-maintained fleet. Highlight the use of advanced technology and fuel-efficient vehicles.

2. Emphasize safety culture

Highlight your commitment to safety in job listings and during recruitment. Minimizing the risk of accidents or crime is crucial to recruiting new talent.

3. Improve work-life balance

Flexible scheduling and predictable routes can be highly attractive to potential hires.

4. Develop reskilling programs

Many workers in the transportation and warehousing sector fear job displacement through automation. Establish upskilling and reskilling programs that train workers on how to use and maintain new technologies, and provide opportunities for workers to transition from obsolete to emerging roles.

5 U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

6 "Executive Order on Strengthening American Leadership in Clean Cars and Trucks," The White House, Aug. 5, 2021.

7 "California moves to accelerate to 100% new zero-emission vehicle sales by 2035," California Air Resources Board, Aug. 25, 2022.

