



JOBS REPORT

# State of the Market

August 2021

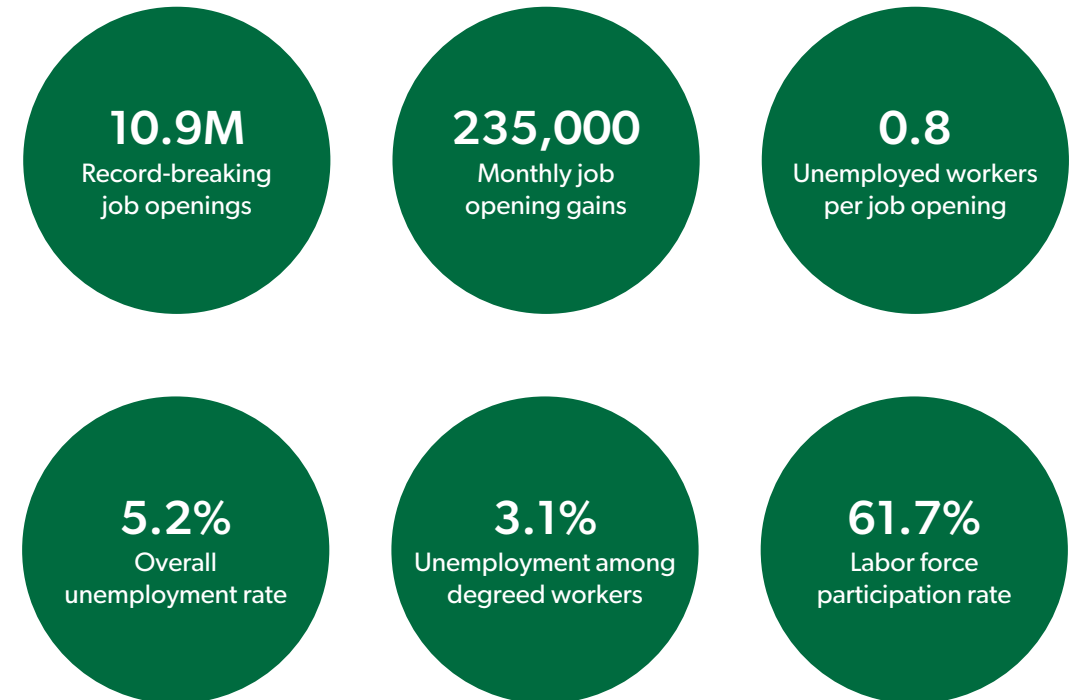
**ASTON CARTER®**

## August 2021 Jobs Report

The labor market continues to tighten as average unemployment rates plummet (from 5.9% in June to 5.2% in August),<sup>1</sup> and labor force participation remains at a record low of 61.7%.<sup>2</sup> Employers are competing for hard-to-find talent in an arena where the number of inactive workers who are open to accepting a full-time job has fallen dramatically — from 6.5 million in July to 5.7 million in August.

Fears among workers and consumers concerning the Delta variant are rising, triggering job opening losses in industries that rely on in-person services, such as hospitality, retail and even healthcare. In most industries, however, a new all-time high number of openings (i.e., 10.9 million)<sup>3</sup> is met by a lack of available workers, limiting the potential for business expansion and economic growth for many organizations.

### August Market Trends At A Glance



## Worker Behavior

With 3 million fewer people working or looking for work than before the pandemic, the market remains competitive for many organizations looking to hire. The most recent data available from the U.S. Bureau of Labor Statistics shows there are only 0.8 unemployed workers per job opening,<sup>4</sup> and layoffs are near record lows.<sup>5</sup> Additionally, President Biden's recent vaccine mandate could lead to an even greater lack of available workers.

Although enhanced unemployment benefits have expired nationwide, workers are still hesitant to return to the job market due to concerns about the Delta variant,<sup>6</sup> childcare limitations<sup>7</sup> and early retirement.<sup>8</sup> Among those actively participating in the job market, many are quitting to seek new opportunities, with 3.97 million workers leaving jobs in July,<sup>9</sup> accounting for 69% of all separations — a near record high.

Job seekers are looking for opportunities to develop new skills and flexibility in the workplace — with only 4% interested in working full time from the office and 89% of workers citing inflexible work arrangements as a major reason for leaving their last job.<sup>10</sup> With more than 25 million employees working remotely or in a hybrid setting,<sup>11</sup> companies that implement rigid or poorly planned return-to-office initiatives could see a steep influx of employee turnover in a market where it's increasingly difficult to backfill committed employees.

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### Job Seeker Trends At A Glance

4%

of workers want to work full-time in the office

30%

of job applications were for remote work in August 2021 vs. 10% in August 2020

42%

of workers surveyed in August 2021 say they prefer to continue working remotely vs. 29% in January 2021

460%

increase in online job searches for remote positions from June 2019 to June 2021

## Industry Trends

### Finance & Insurance

Hiring needs increased sharply across banks, wealth management companies and insurance providers throughout the summer. While the mortgage refinancing boom is decelerating,<sup>15</sup> 4 out of 5 financial services company are currently worried about talent shortages<sup>16</sup> (especially across lower-paid positions), constraining company growth.

### Healthcare

The Delta wave has disrupted the healthcare industry as many providers have again moved to postpone elective procedures,<sup>17</sup> and home health and nursing homes have eliminated jobs. However, revenue and hiring drivers are coming into focus, with COVID-19 vaccine booster campaigns, Medicare Advantage growth, and a likely increase of elective patient services on the horizon for early fall.<sup>18</sup>

### Professional & Business Services

Multiple industry segments, including management consulting, and accounting and bookkeeping services have added jobs as companies are increasingly investing in new services and technologies. Although many organizations are delaying return to office plans, corporate operations and back office departments added 3,600 jobs in August.

### Consumer Services

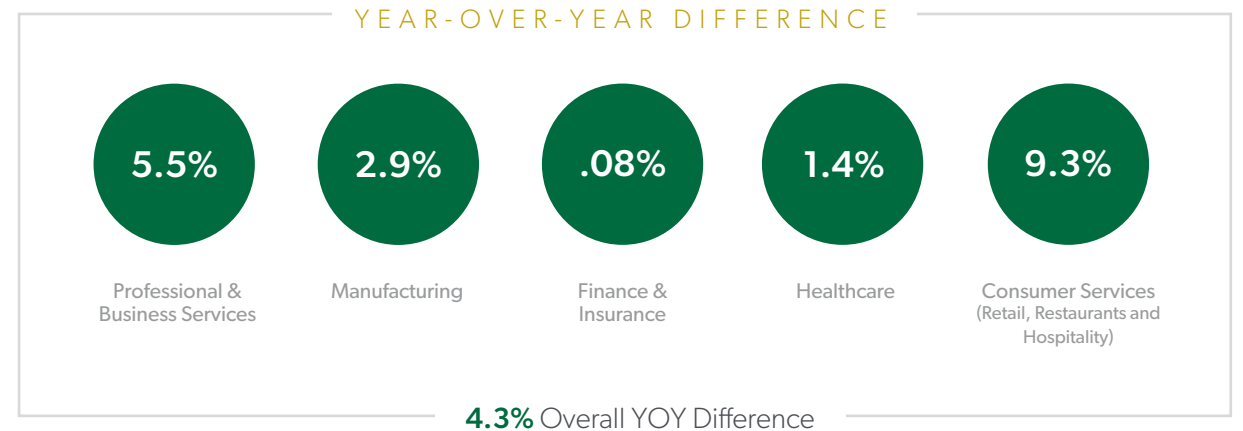
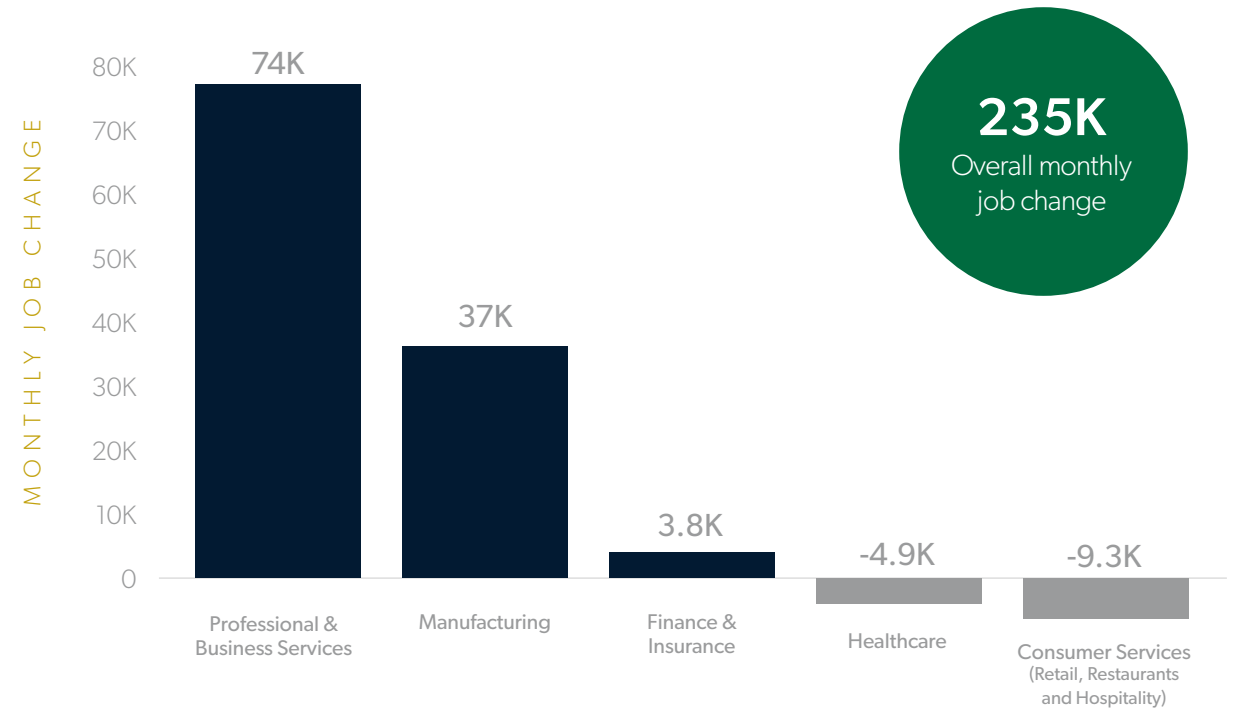
Due to consumer caution stemming from concerns around the Delta variant, employment levels have flattened across leisure and hospitality industries, and retail businesses and restaurants have seen slight job losses. Holiday hiring plans remain robust for many companies, and wages continue to increase<sup>19</sup> as more large employers are raising starting pay in an effort to hire and retain quality talent.

### Manufacturing

Orders and backlogs are elevated in the manufacturing industry,<sup>20</sup> motivating record hiring demands, increased overtime hours worked by production employees and disrupted supply chains. Wage growth is accelerating at its fastest rate since the early 1980s,<sup>21</sup> and hiring in procurement, logistics and human resources remains robust.

## Job Gains/Losses By Industry

Source: U.S. Bureau of Labor Statistics



## Market Snapshots By Skill Category\*

### Accounting & Finance

As mergers and acquisitions sprees continue throughout the year (with deals in 2021 totaling more than \$1.8T, signaling what could be the busiest year on record for U.S. banks),<sup>23</sup> job openings continued expansion throughout August. Skills that have seen more than a 15% growth in demand include:



### Customer Support

In July, employers posted a record number of job openings for call center employees. While online postings diminished slightly in August, elevated demand for customer service representatives continues — especially among healthcare organizations — remaining 10% greater than the highest overall month in 2020 and 32% higher than that of 2019. As organizations' call center needs intensify, customer support talent shortages pervade, stimulating widespread competition for a limited pool of call center candidates.

### Operations & Administrative

While employers continue to break records for an increased demand of human resources specialists (especially for recruiters), overall operations and administrative online job postings have declined (only narrowly) in comparison to July's record-high numbers. Supply chain challenges worsen for many companies, leading to a strong demand for buyers and procurement specialists. Additionally, hiring demand for key roles within healthcare, such as medical billers and unit secretaries, rival the record-high levels that were recorded in June and July.

\*Source: Emsi Burning Glass  
(Based on unique online job postings for August compared to July)

## Highest Demand Growth Markets

### Accounting & Finance

Boise, ID  
Des Moines, IA  
Detroit, MI  
Grand Rapids, MI  
Kansas City, MO

### Customer Support

Albuquerque, NM  
Bridgeport-Stamford, CT  
Cleveland, OH  
Louisville, KY  
Indianapolis, IN

### Operations & Administrative

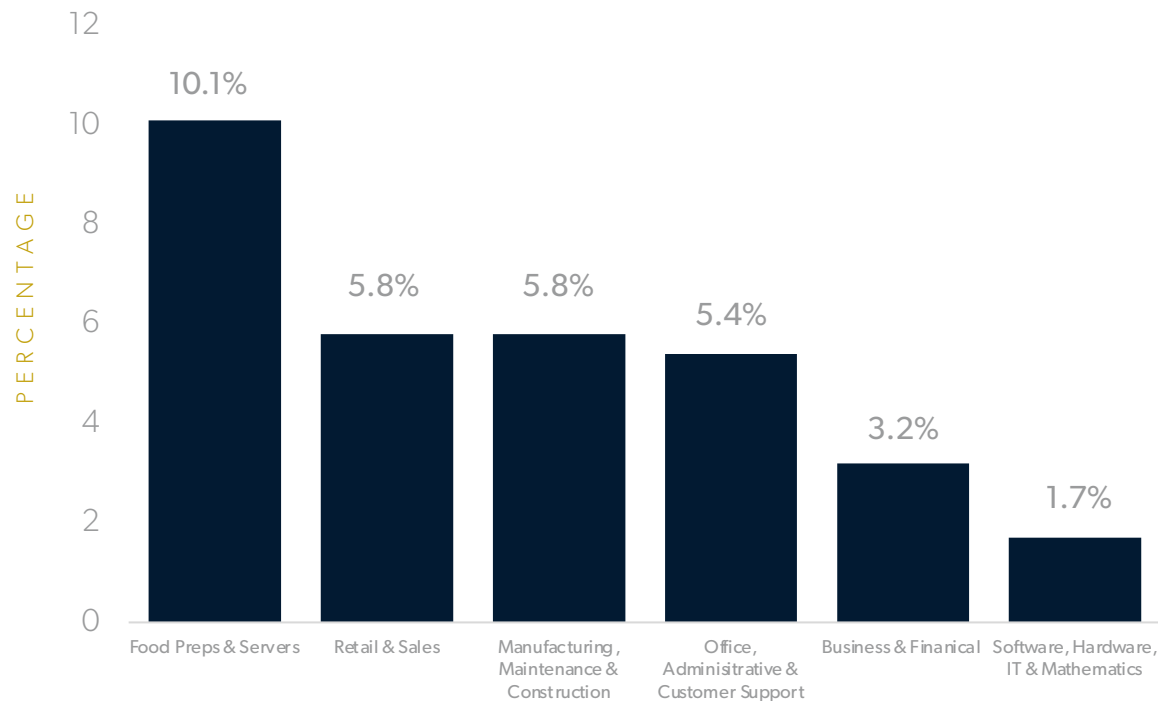
Boise, ID  
Detroit, MI  
Grand Rapids, MI  
Greenville, SC  
Kansas City, MO

## Unemployment Analysis

Alongside heightened demand for available talent, low unemployment rates for business and financial workers and near-average rates for office, administrative and customer support professionals continue, resulting in challenging hiring conditions for many employers.

## Unemployment by Labor Category

Source: U.S. Bureau of Labor Statistics



## Highest Unemployment Markets and Unemployment Rates

**California 9.3%**  
Los Angeles, Long Beach, Anaheim

**Louisiana 8.2%**  
New Orleans, Metairie

**Nevada 9.3%**  
Las Vegas, Henderson, Paradise

**New York 7.9%**  
New York City

**California 9.1%**  
Fresno

**New Jersey 7.9%**  
Newark, Jersey City

## Lowest Unemployment Markets and Unemployment Rates

**Nebraska 2.8%**  
Omaha

**Alabama 3%**  
Birmingham, Hoover

**Iowa 2.8%**  
Council Bluffs

**Idaho 3%**  
Boise

**Utah 2.9%**  
Salt Lake City

**Wisconsin 3.3%**  
Madison

## Top Unemployment Declines and Percentage Change

**Oregon -0.4%**  
Portland, Hillsboro

**Georgia -0.2%**  
Atlanta, Sandy Springs, Alpharetta

**Washington -0.4%**  
Vancouver

**California -0.2%**  
Los Angeles, Long Beach, Anaheim

**Oklahoma -0.3%**  
Oklahoma City

**Connecticut -0.2%**  
Hartford, East Hartford, Middletown

A woman with dark hair tied back, wearing a white blazer, is smiling and talking on a mobile phone. She is sitting at a desk in an office environment. A desk lamp is visible on the left side of the frame. The background shows office shelves and a window with blinds.

## Conclusion

While some businesses were hopeful the termination of enhanced unemployment benefits would ease the strain of difficult hiring conditions, the labor market continues to tighten, especially for customer support, operations and administrative workers. Since employers are more widely adopting remote work options for employees and no longer limited to hiring locally, the competition for talent is now taking place on a national level. A record-breaking number of job openings across the nation coincides with a month-over-month increase of nearly 1 million workers who are no longer open to accepting a full-time position, resulting in only 1.8 potential workers per job opening (including the unemployed, those who left the labor force but are looking to return, and part-time workers seeking full-time jobs).<sup>24</sup> With supply chain shortages and backlogs worsening across all industries,<sup>25</sup> favorable hiring conditions for employers recede into the unforeseeable future.

## References

- <sup>1</sup>["Unemployment Rate Drops to 5.2% in August 2021"](#), TED: The Economics Daily, U.S. Bureau of Labor Statistics.
- <sup>2</sup>["Labor Force Participation Rate"](#), FRED, Federal Reserve Bank of St. Louis.
- <sup>3</sup>["Job Openings and Labor Turnover Summary"](#), U.S. Bureau of Labor Statistics.
- <sup>4</sup>["Number of Unemployed Persons Per Job Opening, Seasonally Adjusted"](#), U.S. Bureau of Labor Statistics.
- <sup>5</sup>["Job Openings, Hires and Total Separations by Industry, Seasonally Adjusted"](#), U.S. Bureau of Labor Statistics.
- <sup>6</sup>["Survey: As Workplace Reopen, 42% of Workers Fear Getting COVID"](#), The Conference Board.
- <sup>7</sup>["Where Are They Now, Workers With Young Children During COVID-19?"](#), Federal Reserve Bank of Atlanta.
- <sup>8</sup>["COVID-19 Results in Wave of Early Retirement"](#), Becker Friedman Institute for Economics at The University of Chicago.
- <sup>9</sup>["Quits: Total Nonfarm"](#), FRED, Federal Reserve Bank of St. Louis.
- <sup>10</sup>["Survey: As Workplace Reopen, 42% of Workers Fear Getting COVID"](#), The Conference Board.
- <sup>11</sup>["Remote Work May Now Last for Two Years, Worrying Some Bosses"](#), The Wall Street Journal.
- <sup>12</sup>George Anders, ["America's New Remote-Work Havens: 20 Cities That Pursue Faraway Jobs"](#), LinkedIn.
- <sup>13</sup>["41% of Remote Workers Never Want to Go Back to the Office — Up From 29% in January"](#), Business Insider.
- <sup>15</sup>["Refi Surge Hits the Brakes as Overall Mortgage Applications Decrease"](#), RISMedia.
- <sup>16</sup>["Banks Barely Keeping Up With Staff Shortages in a COVID World."](#) The Financial Brand.
- <sup>17</sup>["Healthcare Employment Contracted in August, the Second Decline This Year"](#), Modern Healthcare.
- <sup>18</sup>["Hospital Financial Turnarounds Aren't Waiting for the Pandemic to End,"](#) Modern Healthcare.
- <sup>19</sup>["Average Hourly Earnings of All Employees, Leisure and Hospitality"](#), FRED, Federal Reserve Bank of St. Louis.
- <sup>20</sup>["Manufacturing PMI at 59.9% August 2021 Manufacturing ISM Report on Business"](#), Institute for Supply Management.
- <sup>21</sup>Chad Moutray, ["Wage Boom: Manufacturing Average Hourly Earnings Jump 5% Year-Over-Year"](#), National Association of Manufacturers.
- <sup>23</sup>["Deals Spree Puts Banks on Track for Busiest-Ever Year"](#), The Wall Street Journal.
- <sup>24</sup>["\(Employment Level - Part-Time for Economic Reasons, All Industries+Not in Labor Force - Want a Job Now+Unemployment Level\)/Job Openings: Total Nonfarm"](#), FRED, Federal Reserve Bank of St. Louis.
- <sup>26</sup>["The World is Still Short of Everything. Get Used to It"](#), The New York Times.

## About Aston Carter

Established in 1997, Aston Carter is a leading staffing and consulting firm, providing high-caliber talent and premium services to more than 7,000 companies across North America. Spanning four continents and more than 200 offices, we extend our clients' capabilities by seeking solvers and delivering solutions to address today's workforce challenges. For organizations looking for innovative solutions shaped by critical-thinking professionals, visit [AstonCarter.com](https://AstonCarter.com). Aston Carter is a company within Allegis Group, a global leader in talent solutions.

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