

Labor Market Analysis

APRIL 2023 JOBS REPORT

A Look at March's *Trends*



ASTON CARTER®

Labor Market *Analysis*

Last month's jobs report showed impressive job growth, a trend which can also be seen in March's labor report with the addition of 236,000 jobs, 189,000 of which were in the private sector — slightly lower than the monthly average. For the sixth month in a row, labor force participation has been on the rise. That said, there are still 4.9M people not in the labor force who currently want a job. Despite the labor force participation rate increasing as demand continues to outpace the supply of available workers, the unemployment rate decreased to 3.5%. Job openings slowed, however, falling below the 10M mark for the first time since May 2021, still 42% above pre-pandemic levels.

March's Market Trends at a Glance

236K
Jobs gained

3.5%
Overall
unemployment
rate

0.6
Unemployed
workers per job
opening

4M
Workers quit
jobs in
February

2%
Unemployment
among degreed
workers

62.6%
Labor force
participation
rate



Customer Support Updates

Customer Support Demand



13%

Month-over-month



46%

Year-over-year



21%

Pre-Pandemic Change

New surveys suggest the biggest barriers to customer experience are costs (61%) and staffing (57%),¹ pushing more leaders in this space to adopt conversational chatbots (35%) and voice-based virtual agents (40%) within the next six months. However, this may reverse as economic headwinds ease as most consumers still prefer customer service through live phone conversations (47%) or live chat (31%). Despite unsatisfactory experiences with chatbots, 64% of consumers are willing to interact with a virtual agent if it means faster issue resolution.

Government agencies may be a source of continued customer support needs based on recent policy changes and investments. The IRS announced a plan to invest upwards of \$7B into customer service,² including \$4.3B allocated to improving service and another \$3.2 billion reserved to 'quickly resolve taxpayers' issues.' The agency is now looking to answer 80-90% of calls, up from 17% and has already hired 5,000 agents to help with the 2023 tax season.

Medicaid renewal is another area likely to stress state government's ability to provide quality customer service with Rhode Island setting a target of 30-minute wait times while currently experiencing times that are double that target,³ Medicaid renewal is another area likely to stress state government's ability to provide quality customer service.

Customer Support Market Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

16%	Customer support specialists	4%	Customer relations representatives
15%	Customer service associates	3%	Customer service managers
12%	Customer service specialists	2%	Customer service coordinators
9%	Client service representatives	2%	Collections specialists
5%	Customer service representatives	1%	Service advisors

Top Skill Frequency Increase (Percentage Points)

0.3	Billing	0.2	Accounts receivable
0.3	Invoicing	0.2	Selling techniques
0.3	Accounting	0.2	Outbound calls
0.3	Client services	0.2	Cross-selling
0.2	Product knowledge	0.1	Data entry

Top Market Increases MoM

Arkansas 14%

Little Rock, North Little Rock, Conway

Rhode Island, Massachusetts 8%

Providence, Warwick

Connecticut 8%

Hartford, East Hartford, Middletown

Florida 7%

Cape Coral, Fort Myers

Alabama 4%

Birmingham, Hoover

Utah 3%

Provo Orem

Oklahoma 3%

Oklahoma City

Michigan 2%

Grand Rapids, Kentwood

Virginia 2%

Richmond

New York 2%

Rochester

Accounting and Finance Updates

Accounting and Finance Demand



15%

Month-over-month



33%

Year-over-year



20%

Pre-Pandemic Change

Merger and acquisition (M&A) dealmaking hit a 10-year low⁴ in Q1 as the recent banking crisis puts “risk taking on hold,” causing the value of M&As to drop 45% year-over-year. First quarter M&A volumes had the largest annual decline since 2001, but not without some increases in technology, healthcare and industrials.

Healthcare accounted for one fifth of M&A transactions and had a two-year high, while some smaller financial firms have also been able to gain some market share.

Even though salaries grew for entry level accountants by 13% in 2022, it may no longer be enough to attract accountants as employers look to alternative methods. Employers have begun relying more on temporary help and outsourcing/offshoring,⁵ as well as mentoring college students and giving entry-level accountants responsibilities that traditionally took five to ten years of experience.

Accounting and Finance Market Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

21%	Business program analyst	3%	Controller (general)
16%	Chief financial officer	2%	Vice president/Director of finance
6%	Budget analyst	2%	Accounting manager
4%	Assistant controller	1%	Accountant
3%	Accounting supervisor	0%	Bookkeeper (general)

Top Skill Frequency Increase (Percentage Points)

1.0	Finance	0.5	General ledger
0.9	Accounting	0.4	Financial analysis
0.8	Financial statements	0.3	Invoicing
0.7	Accounts payable	0.3	Generally accepted accounting principles
0.6	Accounts receivable	0.1	Auditing

Top Market Increases MoM

Oklahoma 7%

Oklahoma City

Alabama 6%

Birmingham, Hoover

Michigan 5%

Lansing, East Lansing

Missouri, Kansas 5%

Kansas City

Connecticut 4%

Hartford, East Hartford, Middletown

Rhode Island, Massachusetts 2%

Providence, Warwick

Louisiana 2%

Baton Rouge

Washington D.C., Virginia, Maryland 1%

Washington, Arlington, Alexandria

Connecticut 1%

Bridgeport, Stamford, Norwalk

Idaho 1%

Boise City

Governance, Risk and Compliance Updates

Governance, Risk and Compliance Demand



14%

Month-over-month



37%

Year-over-year



17%

Pre-Pandemic Change

U.S. audit regulators have been working to update more than 30 standards, including cutting the time companies have to complete an audit from 45 days to 14 days.⁶ While some firms can complete the work in only a few days, most use the full 45 days and will likely spur increased auditing needs within this space.

Environmental, Social and Governance (ESG) disclosures continue to rise as ESG rating agencies are being pushed for by investors. Fifty-seven percent of companies cited investor demand⁷ as the top motivation for ESG rating, followed by performance assessment (21%). ESG still has a long way to go with 29% of corporations having low trust that ESG ratings accurately reflect ESG performance, and 52% have only moderate trust. The investors surveyed showed higher levels of trust, with 59% reporting moderate trust and 38% reporting high to very high trust in ESG ratings providers.

Governance, Risk and Compliance Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

17%	Business banker	2%	Customer service manager (general)
7%	Actuary	1%	Financial examiner
6%	Credit specialist/Clerk	1%	Business analyst (general)
4%	Compliance manager	1%	Accounting analyst
2%	Financial analyst (general)	1%	Scheduler/Operations coordinator

Top Skill Frequency Increase (Percentage Points)

1.3	Regulatory compliance	0.4	Credit risk
1.1	Finance	0.2	Business process management
0.8	Accounting	0.2	Market risk
0.8	Auditing	0.2	Financial services
0.8	Bank secrecy act	0.2	Internal controls

Top Market Increases MoM

Maine 10%

Portland, South Portland

Oklahoma 8%

Oklahoma City

Connecticut 7%

Hartford, East Hartford, Middletown

South Dakota 6%

Pierre

Alabama 6%

Birmingham, Hoover

Minnesota, Wisconsin 5%

Minneapolis, St. Paul, Bloomington

Washington D.C., Virginia, Maryland 3%

Washington, Arlington, Alexandria

Kansas 1%

Wichita

Virginia, North Carolina 1%

Virginia Beach, Norfolk, Newport News

Michigan 1%

Lansing, East Lansing

Operations and Administrative Updates

Operations and Administrative Demand



16%

Month-over-month



37%

Year-over-year



8%

Pre-Pandemic Change

Industry Update: Healthcare

Many healthcare companies are looking to eliminate or automate prior authorizations.⁸ While CVS and Aetna are working to automate and simplify prior authorization, UnitedHealth Group is cutting its use of the prior authorization process starting in Q3 and even eliminating it for some hospitals/doctors altogether.

Medicaid redeterminations is creating an increased demand for administrative roles,⁹ with many reliant on companies such as Maximus. Through pay-for-performance, these companies have financial incentive to find as many ineligible as possible.

Industry Update: Insurance

Despite recent wage gains, hiring within the insurance sector remains a struggle for employers. Overall, insurance sector pay hikes were about 6%, yet turnover remained high at 14.7% in this space last year. A quarterly study showed a near record high percentage of companies expecting to hire this year¹⁰ — about two-thirds of all carriers said they want to add jobs, which is also backed up by “claims adjusters/specialists” topping the job posting increase chart in March.

Operations and Administrative Updates

Demand Elevation Analysis

Top Job Posting Increases MoM

3%	Claims adjuster/Specialist (general)	2%	Administrative manager
3%	Hotel desk clerk	2%	Payroll administrator
3%	Research assistant	1%	Loan processor
2%	Secretary	1%	Editor
2%	Procurement/Sourcing specialist	1%	Contracts manager

Top Skill Frequency Increase (Percentage Points)

0.2	Procurement	0.1	Project management
0.2	Purchasing	0.1	Customer relationship management
0.2	Marketing	0.1	Supply chain
0.2	Data analysis	0.1	Office equipment
0.2	Administrative support	0.1	Spreadsheets

Top Market Increases MoM

Connecticut 5%

Hartford, East Hartford, Middletown

Arkansas 2%

Little Rock, North Little Rock, Conway

Oklahoma 4%

Oklahoma City

Michigan 2%

Grand Rapids, Kentwood

Alabama 4%

Birmingham, Hoover

Rhode Island, Massachusetts 1%

Providence, Warwick

Utah 3%

Salt Lake City

Idaho 1%

Boise City

Missouri, Illinois 2%

Kansas City

Washington D.C., Virginia, Maryland 1%

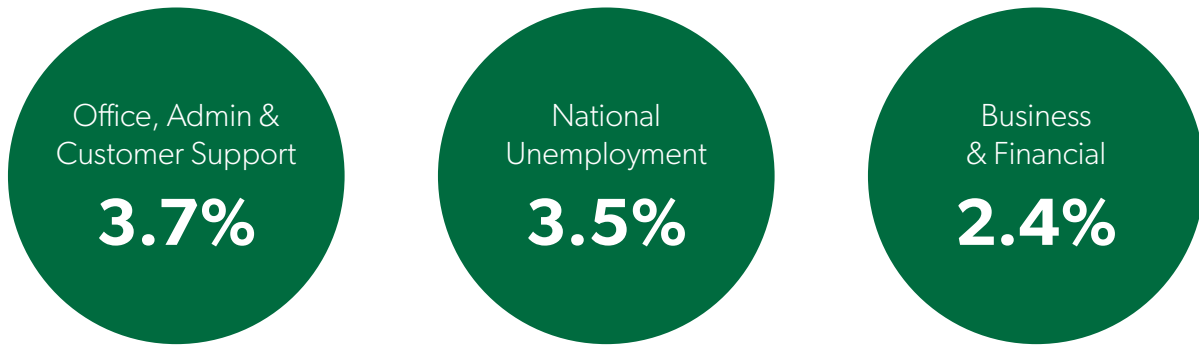
Washington, Arlington, Alexandria

Unemployment Analysis

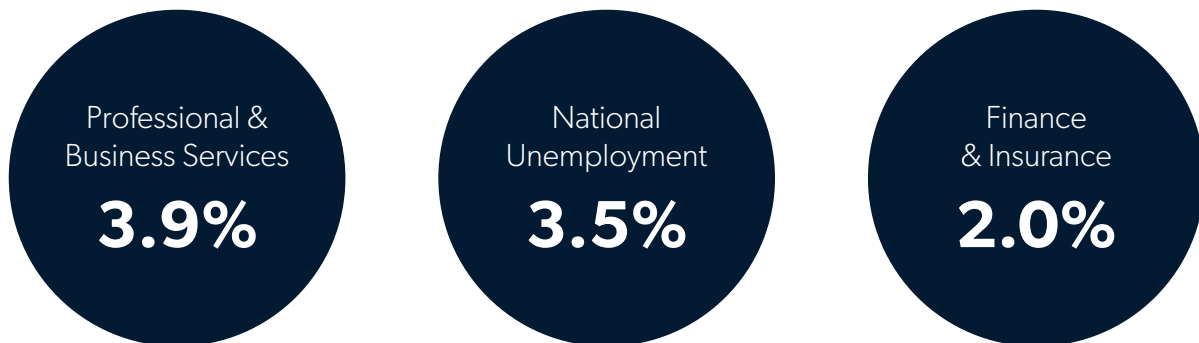
Across the professional services landscape, low unemployment rates within accounting and finance (business and financial), as well as average unemployment rates within the customer support and operations and administrative spaces, continues. With the ever-tightening labor market driving competition for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

Unemployment by Labor Category

Source: U.S. Bureau of Labor Statistics



Unemployment by Industry



Highest Unemployment Markets

California 7.3%

Fresno

Nevada 5.8%

Las Vegas, Henderson, Paradise

Pennsylvania 4.5%

Pittsburgh

California 4.4%

Los Angeles, Long Beach, Anaheim

Texas 4.4%

Houston, The Woodlands, Sugar Land

Oregon, Washington 4.4%

Portland, Vancouver, Hillsboro

Illinois, Indiana, Wisconsin 4.4%

Chicago, Naperville, Elgin

New York, New Jersey, Pennsylvania 4.2%

New York, Newark, Jersey City

Ohio 4.2%

Cleveland, Elyria

California 4.2%

Riverside, San Bernardino, Ontario

Lowest Unemployment Markets

Idaho 2.6%

Boise City

Florida 2.5%

Orlando, Kissimmee, Sanford

Nebraska, Iowa 2.5%

Omaha, Council Bluffs

Florida 2.4%

Tampa, St. Petersburg, Clearwater

Utah 2.4%

Salt Lake City

Florida 2.4%

Jacksonville

Alabama 2.2%

Birmingham, Hoover

Florida 2.1%

Miami, Fort Lauderdale, Pompano Beach

Wisconsin 1.8%

Madison

Top Unemployment Declines (Percentage Points)

Maryland -0.2

Baltimore, Columbia, Towson

Wisconsin -0.1

Milwaukee, Waukesha

Virginia, North Carolina -0.1

Virginia Beach, Norfolk, Newport News

Arkansas -0.1

Little Rock, North Little Rock, Conway

Washington D.C., Virginia, Maryland -0.1

Washington, Arlington, Alexandria

Virginia -0.1

Richmond

Arizona -0.1

Tucson

Colorado 0.0

Denver, Aurora, Lakewood

North Carolina 0.0

Durham, Chapel Hill, Greensboro, High Point



Conclusion

While companies shifted into cost-savings mode, resulting in a decline of employment in some industries and impacting job openings altogether, job postings in March saw an increase across the board as many companies feel pressured to get back to work and are hiring temporary positions, keeping unemployment and layoffs low.

References

- ¹ [“New Talkdesk Research Explores Consumer Perceptions of Conversational AI to Help Brands Deliver Better CX”](#), Business Wire.
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- ³ [“A tsunami is coming’: Wait times a problem heading into RI Medicaid recertification”](#), WPRI.
- ⁴ [“Dealmaking at 10-year low in first quarter as bank crisis hits confidence”](#), Financial Times.
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- ⁶ [“U.S. Audit Watchdog Proposes Move to Get Inspections Started Faster”](#), The Wall Street Journal.
- ⁷ [“ERM Report Ranks ESG Ratings Agencies and Urges Action to Maintain Business and Investor Trust”](#), ESG News.
- ⁸ [“Dreaded Medical Paperwork Required by Health Insurers to Be Trimmed”](#), The Wall Street Journal.
- ⁹ [“The market opportunity behind Medicaid redeterminations”](#), Modern Healthcare.
- ¹⁰ [“Despite higher wages, insurance industry hiring remains a challenge”](#), WGLT.

About Aston Carter

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

7317 Parkway Drive S., Hanover, MD 21076 | AstonCarter.com

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