

Labor Market Analysis

MARCH 2023 JOBS REPORT

A Look at February's *Trends*



ASTON CARTER®

Labor Market *Analysis*

February's labor market continued to exceed expectations with the addition of 265,000 jobs in the private sector and 46,000 in the public sector. The unemployment rate increased to 3.6% as labor force growth outpaced hiring amid recession uncertainty, contributing to an overall tight labor market. Although declining to 10.82 million, job openings remain 57% above pre-pandemic levels. 3.9 million¹ workers quit jobs in January, dipping below 4 million for the first time since May 2021.

As roughly 270,000 people re-entered the workforce, February's labor force participation rate rose to 62.5% — an upturn potentially tied to growing recession fears and the Federal Reserve's persistent inflation² rate hikes. Despite declining to 6% in February,³ the Federal Reserve is expected to raise rates again on March 22.

February's Market Trends at a Glance





Customer Support Updates

Customer Support Demand



14%

Month-over-month



38%

Year-over-year



18%

Pre-Pandemic Change

Nearshore and offshore continue to pose a serious threat to customer support through 2023 as companies seek to reduce costs.

The United States saw 17,500 additional call center jobs this year, ranking it fifth in total jobs created. This, however, marks a 51% decline in job growth⁴ for call centers in part due to tight labor conditions.

While chatbots continue to dominate conversations within the customer experience space, two-thirds⁵ of respondents ranked speaking to a human representative as their preferred method of interacting with a company, while 55% listed the ability to talk to a human as the most important feature of customer service.

A new proposition by the Biden administration may inject \$500 million to upgrade customer service⁶ within U.S. government agencies. This may not only increase demand but could also increase competition for customer support roles.

Customer Support Market Updates

Demand Elevation Analysis

Largest Skill Sets Above Pre-Pandemic Levels

148%	Customer relations representatives	17%	Customer advocates
92%	Customer service team members	17%	Customer service agents
53%	Service advisors	16%	Customer care specialists
43%	Lead customer service representatives	10%	Customer service clerks
35%	Call center agents	4%	Customer support specialists

Top Skill Frequency Increase (Percentage Points)

1.8	Customer relationship management	0.6	Customer complaint resolution
1.7	Administrative support	0.6	Client needs assessment
1.6	Customer support	0.4	Presentation skills
0.7	Setting appointments	0.4	Workflow management
0.6	Invoicing	0.3	Quota achievement

Largest Markets Above Pre-Pandemic Levels

Florida 46%
Cape Coral, Fort Myers

Louisiana 16%
New Orleans, Metairie

Alabama 32%
Birmingham, Hoover

Ohio, Kentucky, Indiana 14%
Cincinnati

Kansas 26%
Wichita

Florida 4%
Orlando, Kissimmee, Sanford

Utah 19%
Provo, Orem

Florida 2%
Tampa, St. Petersburg, Clearwater

Missouri, Illinois 19%
St. Louis

Florida 1%
Jacksonville



Accounting and Finance Updates

Accounting and Finance Demand



11%

Month-over-month



28%

Year-over-year



18%

Pre-Pandemic Change

Banking Sector Hit

Banks felt the pain across the board as stocks wavered. The KBW bank index, which tracks 24 major bank's performance, fell 10%. Smaller banks such as Western Alliance, First Republic, and Zions Bancorp fell 80%, 75%, and 20% respectively.⁷

Investors now look carefully at other financial institutions with large, unrealized losses due to rising interest rate's impact on bonds. Institutions such as Charles Schwab have rebounded as banks seek to reassure investors.⁸

Bottom line — as interest rates continue to rise, investment portfolios across the U.S. will continue to decrease,⁹ potentially hurting overall hiring needs for banks throughout 2023.

Internal Audits and Accounting

The Institute of Internal Auditors is looking to change their name to "Global Internal Audit Standards" as they update their structure and standards.^{10%}

The new structure will contain content from six elements of the current International Professional Practices Framework, organized into five domains to clearly indicate roles and responsibilities. There are new clarifications and requirements for the quality assurance and improvement program, including a requirement which states that at least one reviewer in an external quality review needs to be a Certified Internal Auditor.

Accounting and Finance Market Updates

Demand Elevation Analysis

Largest Skill Sets Above Pre-Pandemic Levels

37.1%	Data analyst	13.8%	Credit manager
30.9%	Operations manager (general)	12%	Financial planning manager
30.8%	Director of risk management	4.1%	Investment/Portfolio management
27.3%	Managing director	1.4%	Strategic planner/Analyst
18.1%	Project manager (general)	0.3%	Auditor (general)

Top Skill Frequency Increase (Percentage Points)

3.4	Auditing	0.6	Finance
1.9	Process improvement	0.6	Billing
0.9	Generally accepted accounting principles	0.5	Internal controls
0.7	Financial statements	0.5	Certified public accountant
0.7	Invoicing	0.4	Reconciliation

Largest Markets Above Pre-Pandemic Levels

New York 45%

Rochester

Missouri, Kansas 7%

Kansas City

Michigan 20%

Grand Rapids, Kentwood

Louisiana 7%

New Orleans, Metairie

Tennessee 19%

Knoxville

New Mexico 6%

Albuquerque

Florida 11%

Orlando, Kissimmee, Sanford

Alabama 2%

Birmingham, Hoover

Idaho 8%

Boise City

Connecticut 1%

New Haven, Milford



Governance, Risk and Compliance Updates

Governance, Risk and Compliance Demand



17%

Month-over-month



29%

Year-over-year



13%

Pre-Pandemic Change

GRC demand is expected to grow as the recent failing of two large banks are likely to spur new regulations.¹¹ The Federal Reserve as well as venture investors are already reassessing cash and risk management following Silicon Valley Bank's (SVB) collapse.¹²

Auditing firms are also likely to face increased scrutiny¹³ such as KPMG who audited SVB and Signature Bank, which were both seized by regulators.

Silvergate Capital was already facing multiple lawsuits due to a lack of protections needed to detect money laundering.¹⁴

Environment, Social and Governance (ESG) assurance opportunities are growing. In 2021, 95% of companies reported ESG information, but only 64% obtained some level of assurance. With the Securities and Exchange Commission (SEC) expected to soon release its first rule requiring climate-related disclosures, a recent survey found 84%¹⁵ of the top accounting firms do not currently provide ESG assurance, and state they're very likely or likely to do so in the next one to three years.

Governance, Risk and Compliance Updates

Demand Elevation Analysis

Largest Skill Sets Above Pre-Pandemic Levels

107%	Accounting analyst	13%	Fraud examiner/Analyst
86%	Banking branch manager	11%	Financial analyst (general)
79%	Risk analyst	8%	Audit manager
22%	Insurance underwriter (general)	1%	Investment/Portfolio analyst
18%	Accountant (general)	1%	Business analyst (general)

Top Skill Frequency Increase (Percentage Points)

9.7	Risk appetite	2.4	Business strategies
4.7	Investments	2.2	Commercial banking
4.6	Financial statements	2.1	Data analysis
4.0	Internal auditing	2.0	Banking
3.0	Process improvements	1.6	Regulatory requirements

Largest Markets Above Pre-Pandemic Levels

Florida 76%

Tampa, St. Petersburg, Clearwater

Florida 55%

Jacksonville

Ohio 38%

Columbus

New York, New Jersey 29%

New York, Newark, Jersey City

Connecticut 18%

Hartford, East Hartford, Middletown

Illinois, Indiana, Wisconsin 16%

Chicago, Naperville, Elgin

Florida 8%

Miami, Fort Lauderdale, Pompano Beach

Missouri, Kansas 7%

Kansas City

New York 3%

Buffalo, Cheektowaga

Massachusetts, New Hampshire 1%

Boston, Cambridge, Newton



Operations and Administrative Updates

Operations and Administrative Demand



17%

Month-over-month



29%

Year-over-year



13%

Pre-Pandemic Change

Marketing and Creative

While marketing and creative job postings remain consistent, national ad spending dropped 6% in January,¹⁶ its first decline since July 2020. Despite this, experts still believe ad spend and marketing budgets may increase throughout 2023.

Sixty-one percent of marketers¹⁷ expect their spend to increase with a focus on buying content. Another source confirms a quarter of CFOs are planning large increases to marketing of 10% or more¹⁸ in fear of scaling down at the wrong time.

Operations and Administrative Updates

Demand Elevation Analysis

Largest Skill Sets Above Pre-Pandemic Levels

44%	Secretary	14%	Human resources generalist
38%	Medical secretary	11%	Claims adjuster/Specialist (general)
27%	Compensation/Benefits manager	9%	Scheduler/Operations coordinator
19%	Dispatcher	3%	Office manager (general)
15%	Human resources manager	1%	Buyer (general)

Top Skill Frequency Increase (Percentage Points)

0.8	Workflow management	0.3	Data analysis
0.6	Medical records	0.3	Purchasing
0.5	Administrative support	0.2	Process improvement
0.5	Procurement	0.2	Office management
0.3	Key Performance Indicators (KPI)	0.1	Performance management

Largest Markets Above Pre-Pandemic Levels

Alabama 42%

Birmingham, Hoover

Florida 15%

Orlando, Kissimmee, Sanford

Louisiana 14%

New Orleans, Metairie

Missouri, Kansas 10%

Kansas City

Missouri, Illinois 10%

St. Louis

Rhode Island, Massachusetts 9%

Providence, Warwick

Idaho 8%

Boise City

Ohio, Kentucky, Indiana 3%

Cincinnati

Connecticut 3%

Hartford, East Hartford, Middletown

Ohio 0%

Cleveland, Elyria

Unemployment Analysis

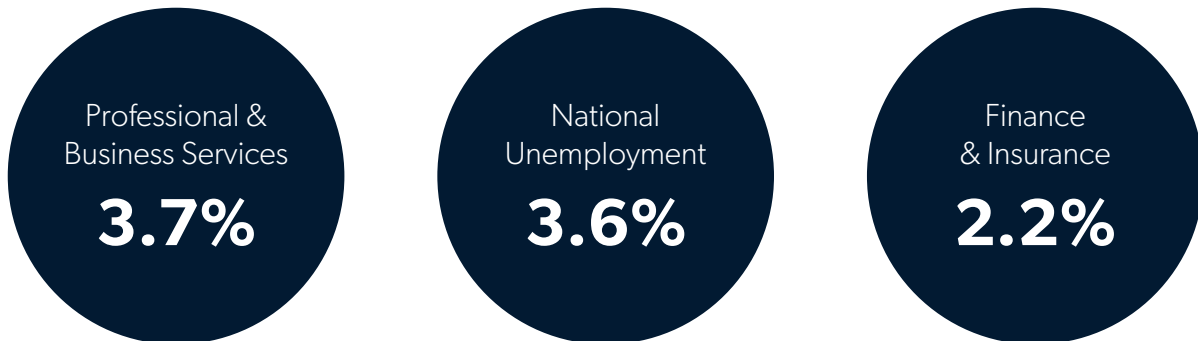
Across the professional services landscape, low unemployment rates within accounting and finance (business and financial), as well as average unemployment rates within the customer support and operations and administrative spaces, continues. With the ever-tightening labor market driving competition for 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 6.2%

Fresno

Nevada 5.5%

Las Vegas, Henderson, Paradise

Illinois, Indiana, Wisconsin 4.3%

Chicago, Naperville, Elgin

Tennessee, Mississippi, Arkansas 4.1%

Memphis

California 4.0%

Los Angeles, Long Beach, Anaheim

Texas 4.0%

Houston, The Woodlands, Sugar Land

North Carolina 4.0%

Greensboro, High point

California 3.9%

Riverside, San Bernardino, Ontario

Oregon, Washington 3.9%

Portland, Vancouver, Hillsboro

New York, New Jersey, Pennsylvania 3.7%

New York, Newark, Jersey City

Lowest Unemployment Markets

Idaho 2.4%

Boise City

Florida 2.4%

Jacksonville

Nebraska, Iowa 2.4%

Omaha, Council Bluffs

New York 2.4%

Albany, Schenectady, Troy

Alabama 2.2%

Birmingham, Hoover

California 2.2%

San Jose, Sunnyvale, Santa Clara

Florida 2.1%

Miami, Fort Lauderdale, Pompano Beach

Minnesota, Wisconsin 2.1%

Minneapolis, St. Paul, Bloomington

Utah 2.0%

Salt Lake City

Wisconsin 1.9%

Madison

Top Unemployment Declines (Percentage Points)

New Mexico -0.4%

Albuquerque

Wisconsin -0.4%

Milwaukee, Waukesha

Wisconsin -0.3%

Madison

Arizona -0.3%

Phoenix, Mesa, Chandler, Tucson

Connecticut -0.3%

Bridgeport, Stamford, Norwalk

Rhode Island, Massachusetts -0.2%

Providence, Warwick

Ohio -0.2%

Cleveland, Elyria

Connecticut -0.2%

Hartford, East Hartford, Middletown

Oklahoma -0.2%

Tulsa



Conclusion

In the wake of SVB’s collapse, the economy and banking industry could experience ripple effects. With customers who formerly belonged to smaller regional banks opening accounts at new institutions, this could put pressure on online systems and customer service representatives. Because of this, financial institutions must be proactive in their efforts to hire the qualified professionals they need.

Also noteworthy, childcare employment remains 5.4% below February 2020, increasing childcare costs and prohibiting some from joining the labor force. Despite this challenge, more women have begun returning to the workforce, holding 66% of all jobs in leisure and hospitality, private education and health.¹⁹ Women’s employment growth in these sectors for the past six months make up 38% of all private-sector job gains.

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- ¹⁹ ["Women's Return to the Workforce Piles Momentum on a Hot Economy"](#), The Wall Street Journal.

About Aston Carter

Established in 1997, Aston Carter is a workforce solutions company delivering world-class staffing services and innovative offerings to more than 7,000 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 skilled professionals and 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.

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