

# Labor Market Analysis

OCTOBER 2023 JOBS REPORT

## A Look at September's *Trends*



**ASTON CARTER®**

# Labor Market *Analysis*

Job growth increased in September, with 336,000 jobs added — 263,000 in the private sector and 73,000 in the public sector. The unemployment rate remained at 3.8%, the highest rate since February 2022, but remains historically low. The labor force participation rate remained at 62.8%, close to the pre-pandemic level (63.3%). Unemployed workers per job opening remained the same (1.5), and job openings spiked to 9.6 million.

The core business areas Aston Carter supports were impacted in September, with finance and insurance jobs decreasing by 3,100 and professional and business services jobs spiking by 21,000.

## September's Market Trends at a Glance

**336K**  
Jobs gained

**3.8%**  
Overall  
unemployment  
rate

**1.5**  
Unemployed  
workers per job  
opening

**3.6M**  
Workers  
quit jobs in  
September

**2.1%**  
Unemployment  
among degreed  
workers

**62.8%**  
Labor force  
participation  
rate



## Customer Support Updates

### Customer Support Demand



**7%**

Month-over-Month



**42%**

Year-over-Year



**26%**

Pre-Pandemic Change

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Overall job postings within the customer support space remain down. A report from Nearshore Americas<sup>1</sup> indicates that uncertain macroeconomic conditions have led to the downsizing of both nearshore and offshore delivery centers. However, that doesn't necessarily indicate stagnation for workers, as the United States has increased nearshoring, leaving no halt in hiring for nearshore BPOs.

Meanwhile, quiet quitting has continued to impact contact centers throughout the U.S., with less than 23% of employees<sup>2</sup> feeling engaged and thriving at work. A lack of upskilling and career paths drives this, with 58% of agents<sup>3</sup> reporting that they get very little out of their company's existing coaching programs.

Despite fears from workers that AI advancements will lead to displacement, new data show that 70% of contact center managers believe there will be more agents in the next 10 years, not less.<sup>4</sup> A large percentage of these managers believe AI still has severely limited value, citing a lack of applicable use cases (43%)<sup>5</sup>, not capturing or quantifying results (43%) and a lack of integration with existing business systems (35%). Despite this, 91% of contact center leaders cite automation as a top priority for the coming year.<sup>6</sup>



## Accounting and Finance Updates

### Accounting and Finance Demand



**12%**

Month-over-Month



**39%**

Year-over-Year



**29%**

Pre-Pandemic Change

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The number of experienced accountants leaving the profession has skyrocketed, with these professionals moving to other roles within the finance field. The Wall Street Journal reports that 82% of the workers who exited accounting roles this year had six years of experience on average. This percentage has surged from 62% of exits reported in 2015 and 65% reported in 2010, respectively.<sup>7</sup>

AR/AP will continue to be in high demand as inflation and high interest rates keep cash flow a top priority for 85% of business owners. Sixty-eight percent of surveyed CFOs cited payment delays as a lingering problem, while 45% mentioned that invoicing errors and discrepancies also caused payment disruptions. Meanwhile, 77% of AR teams are behind schedule, with 22% of them reporting being months behind.<sup>8</sup>

BLS data shows that average hourly wages for financial occupations have grown over 10% since the beginning of the pandemic and that growth is projected to continue. Banks have been setting a minimum wage slightly above \$20 to remain ahead of competitors. According to Banking Dive, Bank of America (BoA) announced a new minimum hourly wage of \$23, with plans to hit \$25 by 2025. After BoA raised their wages last year, banks such as Truist, BMO and U.S. Bank immediately followed suit, indicating this year's wage increase could have a similar ripple effect.<sup>9</sup>



## Governance, Risk and Compliance Updates

### Governance, Risk and Compliance Demand



**10%**

Month-over-Month



**52%**

Year-over-Year



**26%**

Pre-Pandemic Change

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The Public Company Accounting Oversight Board (PCAOB) approved tighter requirements on how audit firms obtain and verify outside evidence on their clients. This marks the first major update to an auditing mandate in decades. Currently, audit firms are permitted to assume that the lack of a response is a corroboration of accuracy. However, the PCAOB said that audit firms will no longer be able to rely solely on negative confirmation. The Wall Street Journal reports that the new requirements, pending SEC approval, will go into effect for audits of financial statements for fiscal years ending on or after June 15, 2025.<sup>10</sup>

Meanwhile, Accounting Today has questioned if accountants are losing the ESG market, as only 57% of ESG assurance engagements are done by auditing firms — down from 61% in 2020 and 63% in 2019. This number is even lower in the U.S., where only 15% of ESG assurance-related engagements are performed by auditing firms.<sup>11</sup>

Facing reputational and financial hits, the cryptocurrency sector greatly needs compliance workers, while regulatory pressure continues to mount against the industry. Many projects are seeing compliance become more business-critical, and, to attract talent, some crypto firms are trying hard to distinguish themselves from firms in legal trouble in the sector by promoting their approach to compliance or offering higher pay or better perks.<sup>12</sup>

## Operations and Administrative Updates

### Operations and Administrative Demand



**9%**

Month-over-Month



**39%**

Year-over-Year



**14%**

Pre-Pandemic Change

Median hospital finances have continued to stabilize as operating margins increase. This marks the sixth month in a row for positive operating margins.<sup>13</sup> Fierce Healthcare shared a report from Kaufman Hall indicating that hospitals have also logged an 8% month-over-month increase in daily net operating revenue, which many attribute to higher volumes paired with shorter visit times.<sup>14</sup>

Healthcare M&A activity also remained very healthy for both payers and providers. As for providers, Fierce Healthcare shared that Walmart is exploring a purchase of a 125-clinic company ChenMed, for around \$7 billion and that Froedtert Health and ThedaCare are working toward a nearly \$5 billion merger. On the payer side, UnitedHealth Group plans to acquire Amedisys and merge it with Optum, a deal currently valued at \$3.3 billion. Meanwhile, Elevance Health and Blue Cross paused their \$2.5 billion merger plan, with state regulators voicing concerns about the potential impact on local competitors.<sup>15</sup>

Hiring may need to increase for hospitals and providers in the following year, as 1 in 3 surveyed healthcare workers reported that they plan to leave their role within the next year. 14% of those surveyed by Tebra stated that they plan to leave the industry entirely. Furthermore, nearly three-quarters (73%) of healthcare workers said they feel underpaid, while 59% reported feeling unappreciated at work.<sup>16</sup>

# Unemployment Analysis

## Unemployment by Labor Category

Source: U.S. Bureau of Labor Statistics



## Unemployment by Industry



# References

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- <sup>7</sup> "Job Security Isn't Enough to Keep Many Accountants From Quitting", Wall Street Journal
- <sup>8</sup> "Late Payments Push 64% of CFOs to Modernize Accounts Receivables", PYMNTS
- <sup>9</sup> "Bank of America boosts minimum hourly wage to \$23", Banking Dive
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- <sup>12</sup> "Crypto Sector Seeks Lawyers, Compliance Officers After Reputational Hits", The Wall Street Journal
- <sup>13</sup> "Hospital Finances Stabilize After 6 Months of Positive Margins", RevCycleIntelligence
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## 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](https://www.AstonCarter.com)

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