

October 5, 2018



U.S. Talent Market Monthly

U.S. EMPLOYERS HIRED

134,000

WORKERS IN SEPTEMBER

AVERAGE HOURLY EARNINGS
(ALL WORKERS)

\$27.24

2.8% ABOVE LAST YEAR

THE UNEMPLOYMENT RATE FELL TO

3.7%

4.2% LAST SEPTEMBER

WEATHER DAMPENS JOB GAINS

- U.S. employment gains were less than expected in September, with some of the coolness possibly caused by Hurricane Florence.
- The unemployment rate dropped to a near 49-year low, while wage growth remains moderate.
- Demand for talent continues on a steady pace as the economy moves even closer to full employment.

In a month where Hurricane Florence hit parts of the East Coast, the U.S. labor market continued its positive momentum with the addition of 134,000 jobs in September. Although this was slightly below consensus expectations, the employment figures from July and August were revised upward by a combined 87,000. Through the first nine months of 2018, the U.S. economy has generated an average of 208,000 jobs per month, compared to 182,000 per month in full-year 2017.

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The professional and business services sector led hiring gains in September, with an increase of 54,000—right in line with its average of around 50,000 jobs added per month thus far in 2018. Both manufacturing and construction jobs continued to trend up in September, with gains of 18,000 and 23,000 respectively. Employment in retail trade was down by 20,000, and the leisure and hospitality sector showed a drop of 17,000—weakness that likely reflected the effects of the hurricane.

The unemployment rate fell by 0.2 percentage points to 3.7% in September—its lowest point since December 1969. The drop in unemployment has been broad-based: among those ages 25+ with a high school education, the unemployment rate also fell to 3.7%, and unemployment for college graduates dropped to 2.0%.

Despite the ever-tightening labor market, wage growth cooled slightly in September to 2.8%, after 2.9% growth in August. Although the economy continues to generate jobs at a very healthy pace, that heightened demand has yet to translate into significant increases in pay for workers.

U.S. MONTHLY EMPLOYMENT CHANGE AND UNEMPLOYMENT RATE



EMPLOYMENT OVERVIEW

	APR	MAY	JUN	JUL	AUG	SEP
Total non-farm employment growth	175K	268K	208K	165K	270K	134K
Private sector employment growth	174K	260K	192K	137K	254K	121K
Unemployment rate	3.9%	3.8%	4.0%	3.9%	3.9%	3.7%

Source: Bureau of Labor Statistics

CANDIDATE EXPECTATIONS

The current climate of severe talent shortages means that job candidates are increasingly in control, leaving many employers to wonder just what they can do to attract and retain top prospects. According to a new survey by GlassDoor, that answer is more than likely a very simple one: communicate. The top things that respondents said a company should do to create a positive job application experience were: communicating with them clearly and regularly during the entire hiring process (58%); setting out clear expectations for them so that they could prepare well (53%); providing feedback, even if they did not get the job (51%); and clearly explaining the interview process (45%).

Not only are candidates looking for clear and consistent communication during the job search, they are also expecting the process to be conducted in a timely fashion. GlassDoor found that more than four in five respondents (82%) said they ideally would want the entire interview process to take less than a month, and a full two in five (40%) said less than a week. In the US, its research found that the interview process currently takes on average a little more than three weeks (23.8 days), with technical, engineering and managerial positions among those that take substantially longer from interview to hire.

Source: GlassDoor, 09.19.18