

JUNE 2025



Workforce Optics

INSIGHTS, NUMBERS & KNOWLEDGE FOR A COMPETITIVE WORKFORCE

Let us be your resource as you plan budgets, set pay rates, and build and retain an engaged workforce. The enclosed employment trends, hiring challenges, and compensation tips are designed to help you better understand today's employment environment to make informed staffing decisions.



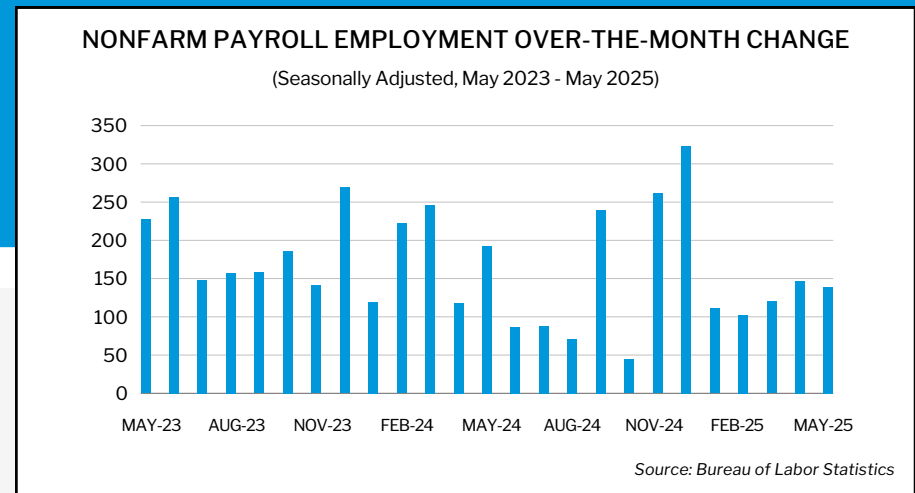
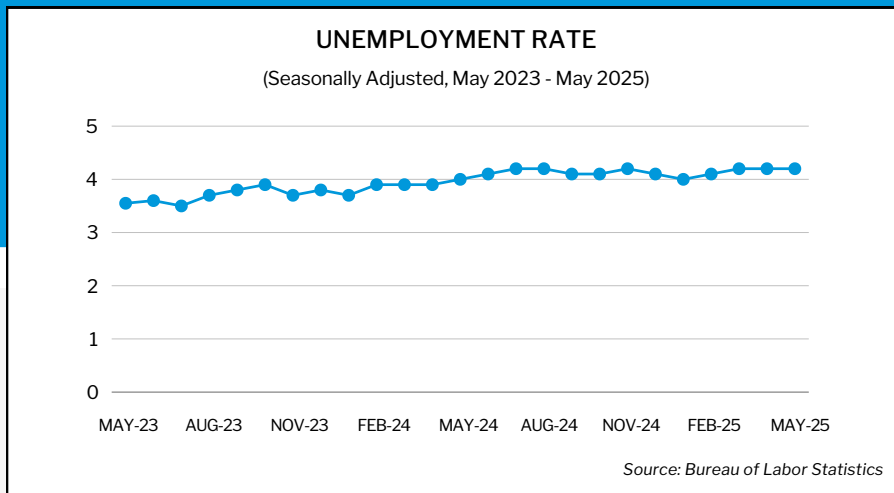
Jobs Update

In May 2025, the U.S. economy added 139,000 jobs, surpassing economists' expectations of 125,000 but marking a slowdown from April's revised gain of 147,000. The unemployment rate remained steady at 4.2% for the third consecutive month.

Employment growth was notable in several sectors:

- **Healthcare:** Health care added 62,000 jobs in May, higher than the average monthly gain of 44,000 over the prior 12 months.
- **Leisure and hospitality:** Employment in leisure and hospitality continued to trend up in May (+48,000), largely in food services and drinking places (+30,000). Over the prior 12 months, leisure and hospitality had added an average of 20,000 jobs per month.

Wage growth remained solid, with average hourly earnings increasing by 0.3% in May and 3.7% over the past year. The employment-population ratio declined by 0.3 percentage point to 59.7% while the labor force participation rate decreased by 0.2 percentage point to 62.4%. Despite the positive wage trends, the labor market faces headwinds from ongoing tariff uncertainties and cautious business investment, which may influence future hiring decisions.



4.2%

National Unemployment Rate

MAY 2025

0% MoM Change



7.2 MILLION

Unemployed Persons

MAY 2025

0% MoM Change



EMPLOYMENT TRENDS

Hiring is Losing Momentum

According to LinkedIn's latest Workforce Confidence survey, **active job seekers are showing some of the lowest confidence levels in years when it comes to landing or holding onto a job.** Among both unemployed and employed individuals actively looking for work, confidence sits at just +10 on a scale from -100 to +100 — nearly matching the pandemic-era low of +9 seen in April 2020.



Typically, confidence surges in January as workers set career goals for the new year. But not this time. In January 2025, job confidence was already down to +20 — a notable drop from +31 just a year earlier. And it's only slipped further since, weighed down by economic uncertainty and a job market that seems to be cooling more quickly than expected.

Gen Z is Ditching Desks for Toolbelts

More and more young professionals are trading cubicles for tool belts — even those with college degrees. A new survey reveals that **42% of Gen Z workers are now employed in the skilled trades,** and notably, 37% of them hold a bachelor's degree.

Why the shift? For some, it's about necessity: one in five Gen Z college grads working in a trade said they couldn't find a job in their chosen field. Others made a deliberate pivot—16% said they left white-collar roles in favor of trade jobs that offered better pay. It's a clear sign that **traditional career paths are being reevaluated,** and for many, the trades are looking like the smarter move.



Burnout is Boiling Over

As companies double down on efficiency in a volatile economy, employees are increasingly running on fumes as both **workers and managers are being pushed to deliver more with less.** This mounting pressure is showing up in real time on platforms like Glassdoor. In fact, mentions of burnout in reviews have surged 32% year-over-year as of Q1 2025 — reaching the highest level recorded since tracking began in 2016. That figure is also **50% higher than in Q4 2019,** just before the COVID-19 pandemic reshaped the workforce, pointing to an alarming trend that threatens productivity, morale, and retention.



Sources: LinkedIn, Resume Builder, Glassdoor

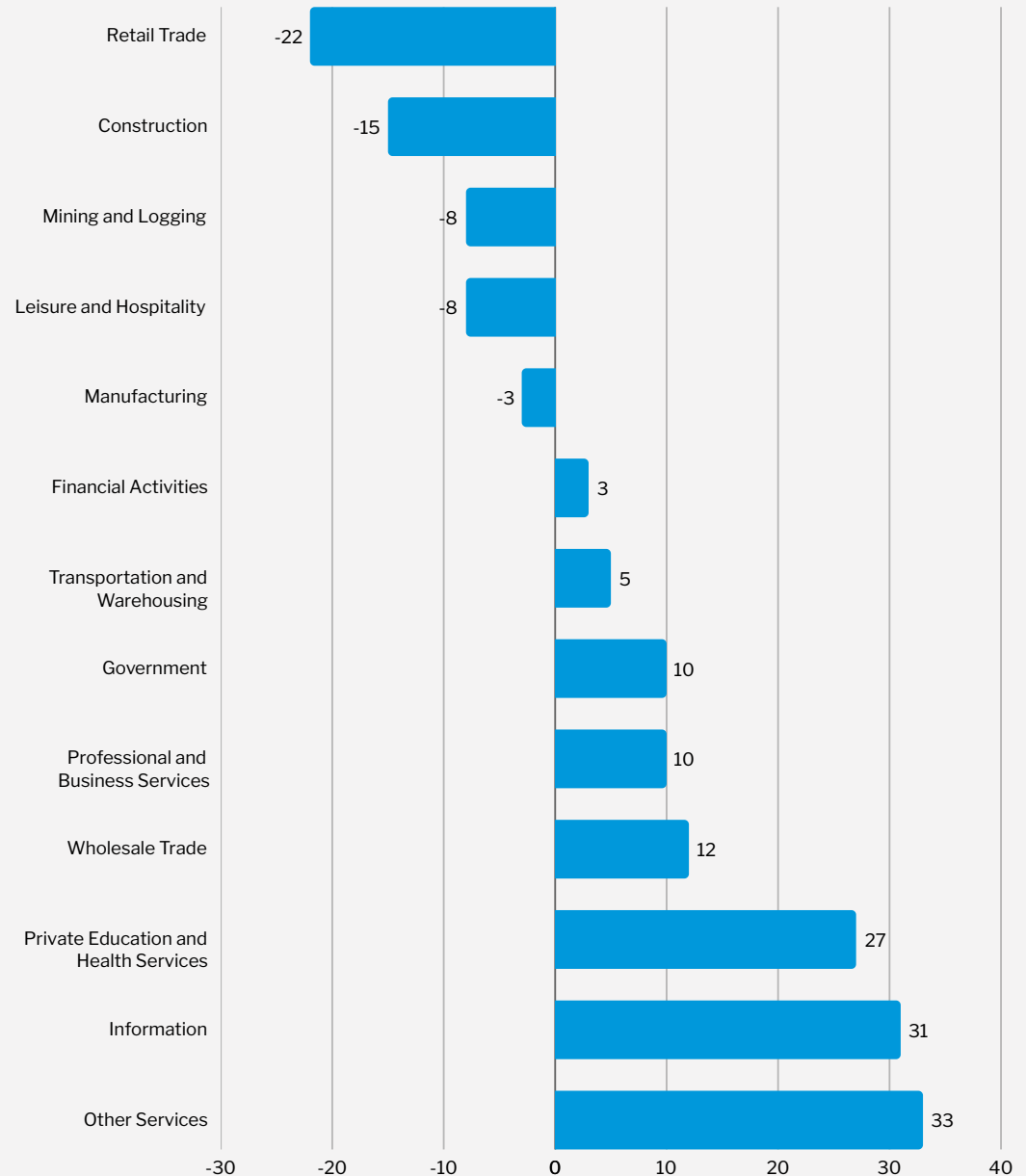
Job Openings Defy Expectations in April, But Labor Market Gridlock Persists

April's job openings data held up better than expected, offering a **surprising sign of resilience amid a month dominated by unpredictable shifts in tariffs and trade policy**. Despite mounting global uncertainty, U.S. employers appeared to retain enough confidence to leave more roles open than in March, whether thanks to strategic foresight, nimble supply chains, or a bit of good fortune.

- There were **7.4 million** job openings nationwide in April, above consensus expectations.
- The national quits rate was largely steady at **2%**.
- The layoff rate in April was **1.1%**, up very slightly from 1% in March.

Still, one solid month doesn't mean smooth sailing ahead. With volatility and economic uncertainty still running high, **it's unclear how long this holding pattern can last**. The accompanying chart shows how job postings across 13 key employment sectors grew (or declined) between February 2020 and April 2025. Retail trade shows the largest decline in postings over that period, while other services shows the largest increase.

JOB OPENINGS BY INDUSTRY SECTOR
April 2025, job openings, % change since Feb 2020



Source: Bureau of Labor Statistics

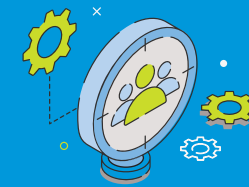
U.S. Manufacturing Contracts for Third Straight Month

In May 2025, the U.S. manufacturing sector experienced its third consecutive month of contraction, with the [Manufacturing PMI® registering at 48.5%](#), a slight decrease from April's 48.7%, say the nation's supply executives in the latest Manufacturing ISM® Report On Business®.

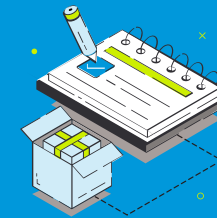
This downturn reflects ongoing challenges in the industry, particularly in demand and production. The New Orders Index stood at 47.6%, indicating a continued decline in new orders, albeit at a slower pace. Production also remained in contraction territory at 45.4%, suggesting that [factories are adjusting output in response to weakening demand](#). Employment figures showed a modest improvement to 46.8% but still signaled job reductions, as companies opt for layoffs amid economic uncertainties.

Trade dynamics further strained the manufacturing landscape. The New Export Orders Index dropped to 40.1%, the lowest since the 2009 recession, highlighting a significant reduction in international demand. Imports also saw a sharp decline, falling to 39.9%, the lowest level since 2009, as firms curtailed overseas purchases due to tariff-related cost pressures. These figures underscore the [adverse effects of fluctuating trade policies and tariffs on the manufacturing sector](#).

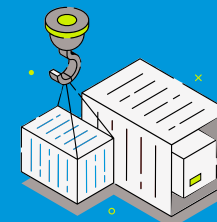
Input costs remained a concern, with the Prices Index at 69.4%. Supply chain disruptions persisted, as evidenced by the Supplier Deliveries Index rising to 56.1%, reflecting slower delivery times. Inventory levels contracted, with the Inventories Index at 46.7%, suggesting that [companies are depleting stockpiles built up in anticipation of tariff impacts](#). Overall, the manufacturing sector continues to navigate a complex environment marked by demand softness, trade uncertainties, and input cost pressures.



Employment Index rose modestly to **46.8%**, up .3% from April



New Orders Index stands at **47.6%**, up from 47.2% in April



New Export Orders Index dropped to **40.1%**, the lowest since the 2009 recession

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