



Talent Acquisition Industry Insights

January 2023

**New year, new insights. We make finding
and hiring the right talent easier.**

The Advanced RPO quarterly digest of recently published news and reports is the #1 resource for business leaders and executives managing talent acquisition.



Table of Contents

Unemployment Rates	3
U.S. Unemployment Rates 2021 and 2022	4
U.S. Unemployment Rates by State	5
Market Intel	6
Where We Stand at the Start of a New Year	7
End-of-year Market Numbers Reflect a Change	8
2023 Outlook: 4 Talent Acquisition Realities Rolling Over	9
#1: Workers Hold on to High Expectations For Their Careers and From Their Employers	10
#2: Worker Expectations Clash With Hiring and Retention Realities	11
#3: The Pay Transparency Push Accelerates	12
#4: Change Remains the Only Constant	13
Recruiting Tips From an RPO Pro	14
Insider Advice on Winning in Today’s Labor Market	15
What Does DEI Look Like in 2023?	16
DEI Is Important	17
Leave 2022 Trends Behind	18
Put Strategy in the Spotlight	19
Industry Snapshots: Tech, Life Sciences, Manufacturing	20
Tech Industry: Slower Growth, Heightened Demand	21
Life Sciences Industry: Sights Set On a Return To Status Quo	23
Manufacturing Industry: Continued Workforce Churn Leave Few Roles to Burn	25
Words and Terms to Know	28
More Resources	30

01

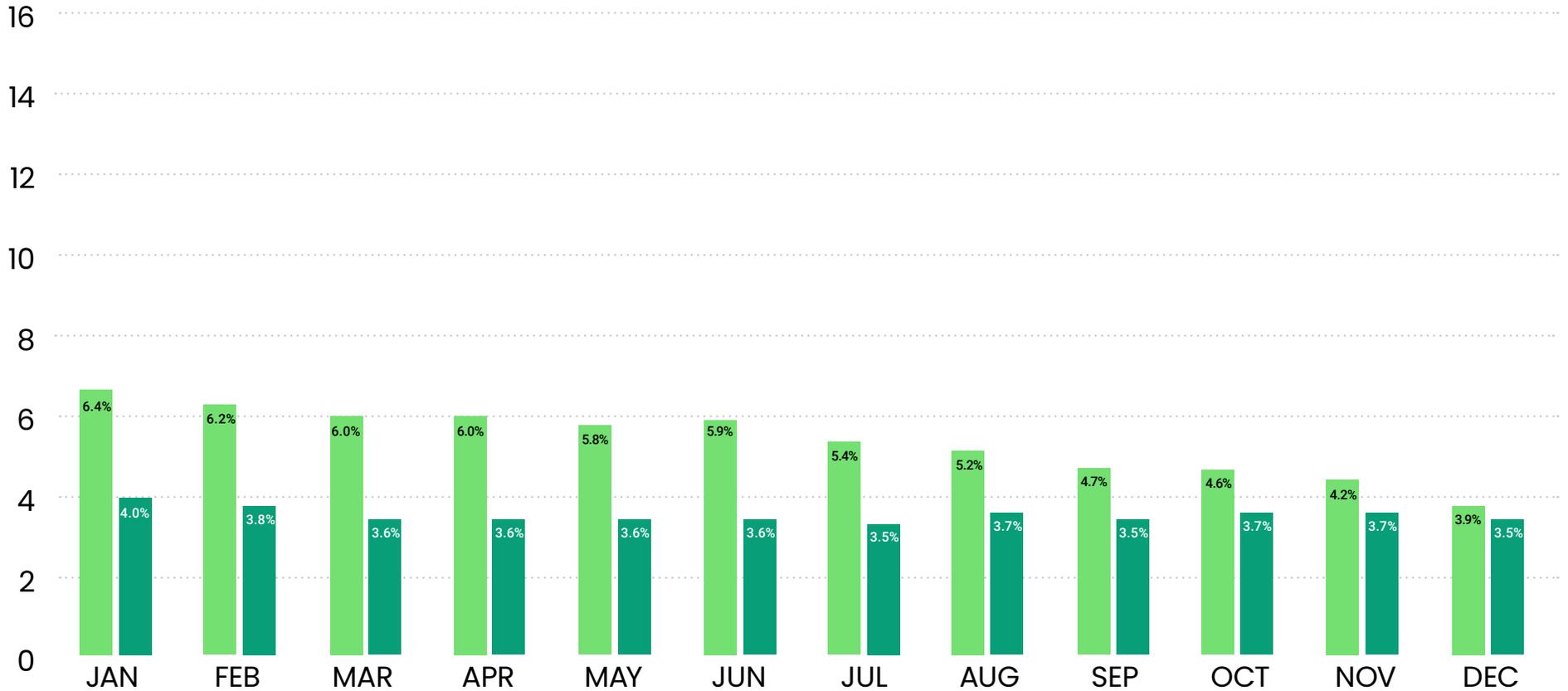
Unemployment Rates

U.S. Unemployment Rates

2021 & 2022

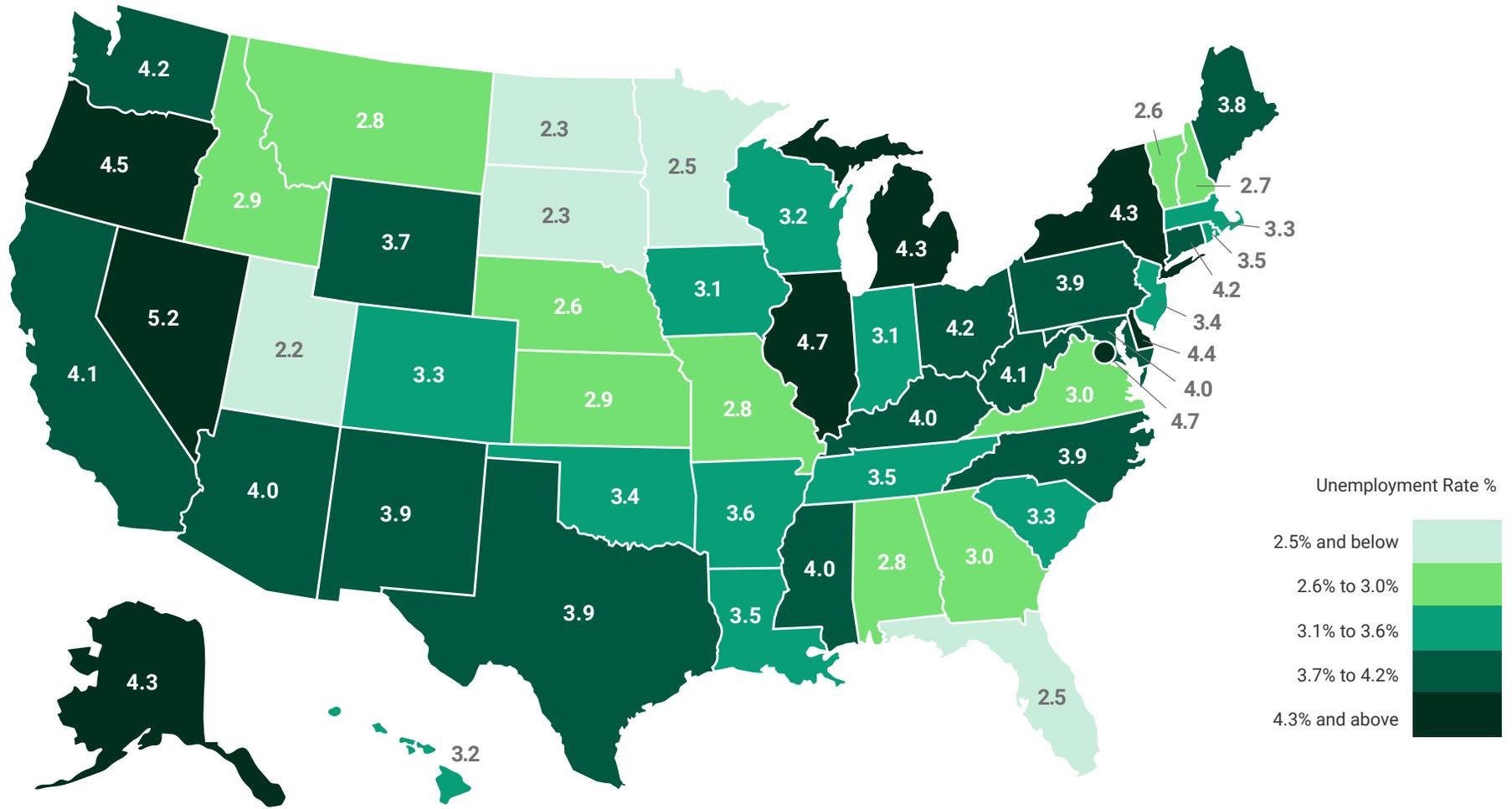
Current Unemployment Rate = 3.5%

2021 2022



Source: data.bls.gov

U.S. Unemployment Rate By State



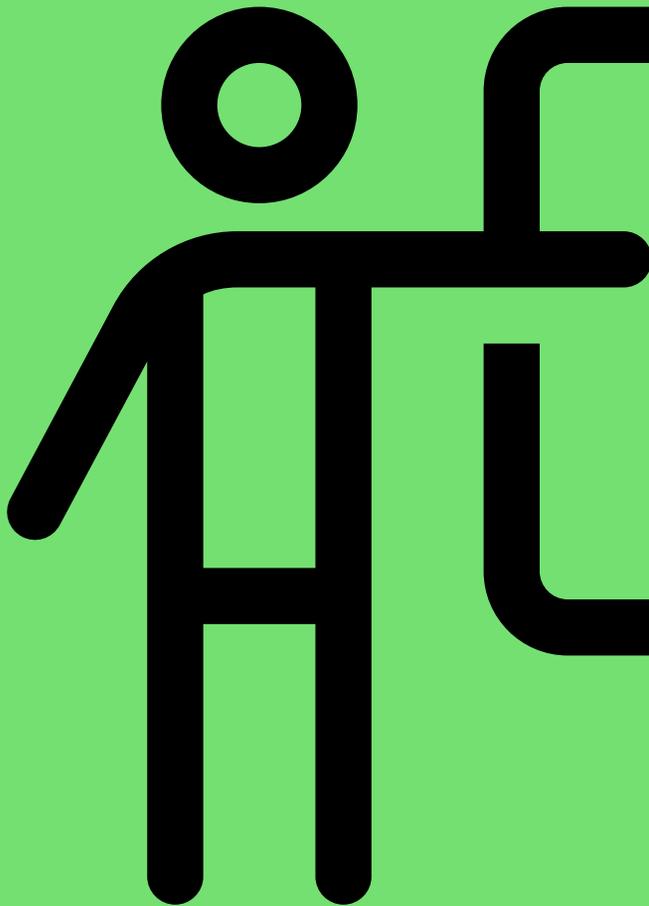
Source: www.bls.gov

02

Market Intel

Where We Stand

At the Start of a New Year



- ✓ Layoffs being replaced by hiring freezes
- ✓ Unfilled roles leading to slower job growth
- ✓ The specter of a possible recession still looms

End-of-year Market Numbers **Reflect a Change**



In December 2022:

- The unemployment rate: **3.5%**
- Non-farm payroll increase: **223,000**



Industries with notable job gains:

- Leisure and hospitality
- Health care
- Construction
- Social assistance



Average hourly earnings:

- Increased **4.6%** over the past 12 months

03

2023 Outlook:

4 Talent Acquisition Realities Rolling Over

#1: Workers Hold on to High Expectations For Their Careers and From Their Employers



46% of workers are currently or planning to look for a different job in the new year.



1 in 4 employees are just biding their time at their current job for a bonus, more experience, or a better opportunity.



Nearly half of American workers are hoping for a promotion or raise in 2023.



52% of employees say flexible work policies will affect their career decisions.



53% of employees want their organizations to take actions on issues they care about.

#2: Worker Expectations Clash With Hiring and Retention Realities

Businesses are still struggling with hiring and retention.



3 out of 4 people say retaining talent will be a bigger challenge than hiring in 2023.



38% of executives say talent acquisition and retention pose serious risks.

Yet, despite this, some organizations are starting to streamline their workforce. For CHROs specifically:



83% are considering or have already reduced overall headcount.



67% are instituting or planning hiring freezes.

#3: The Pay Transparency Push Accelerates



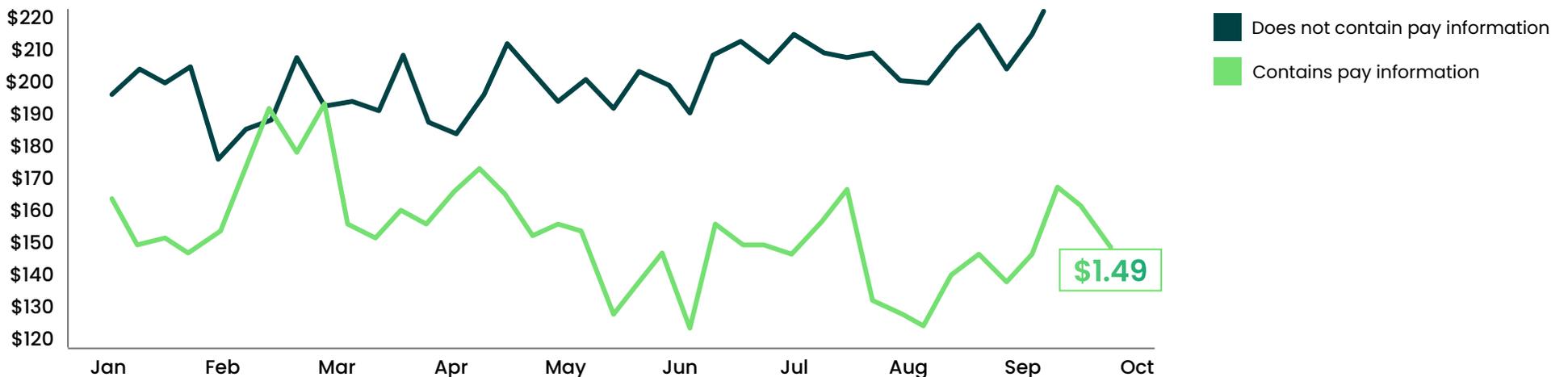
In more places:
Ten states and New York City have adopted pay transparency laws to go into effect by 2023.



For more workers:
Nearly 30 million U.S. workers are now entitled to a pay range when applying to a job—almost 20% of the entire labor force!

As an unexpected benefit:

This is actually a good thing for employers—including a mention of pay **reduces the average cost-per-click by 25%.**



#4: Change Remains the Only Constant

Talent acquisition leaders must remain flexible, adaptable, and creative. Why? Because hiring depends on it.

To get ahead in 2023:



Understand that employees are as worried about the economy as you are: **nearly 80% of workers do not feel financially or professionally secure right now.**



Recruit from within for a mutual win-win: **70% of workers do not know how to progress in their careers and 42% say it is easy to find and apply to open jobs internally.**



Stay ahead of shifting work/life priorities: **42% of employees say work is not their top priority and 63% report that they work to live.**

04

Recruiting Tips

From an RPO Pro

Insider Advice

On Winning In Today's Labor Market

With everything stacked against talent acquisition leaders these days, how can you gain hiring ground? **Advanced RPO's Jenna Hinrichsen** shares her professional insights:



- Use customized recruitment marketing content to highlight your brand.
- Don't assume candidates will love your company simply because you do.
- Know your audience and adjust your talk-track accordingly.
- Use data to make decisions around compensation, requirements, and benefits.
- Ensure compensation is on par with your competitors, whether that means increasing pay or reducing requirements.
- Remember you need people as much as people need a job—they're your #1 asset.

05

What Does DEI Look Like In 2023?

DEI Is Important

So Get It Right

81% of workers would leave their job if their employer lacked a commitment to diversity, equity, and inclusion in the workplace.

These are the top 3 reasons diversity programs fail—keep them in mind as you craft your DEI plans for 2023:

- 1 Executive resistance
- 2 Diversity fatigue
- 3 Lack of training for middle managers

Leave 2022 Trends Behind

Look to retire these practices as you navigate 2023:

-  **Delegating DEI training to one-off sessions.**
DEI isn't a "one-and-done" proposition. It's a continual growth curve that requires many learning opportunities.

-  **Making your Employee Resource Group your entire plan.**
ERGs support DEI initiatives. Leaders must partner with them to create a well-rounded employee experience that extends beyond the ERG.

-  **Having only People of Color lead your efforts.**
DEI impacts everyone, regardless of race, gender, sexuality, and religion. All groups—both those overrepresented and underrepresented—must lead the charge.

-  **Lacking a strategy and leadership support.**
DEI officers need specialized resources and a cohesive strategy to lead successful company wide DEI initiatives.

Put Strategy in the Spotlight

Your DEI Strategy Is Your Foundation, Make It Count

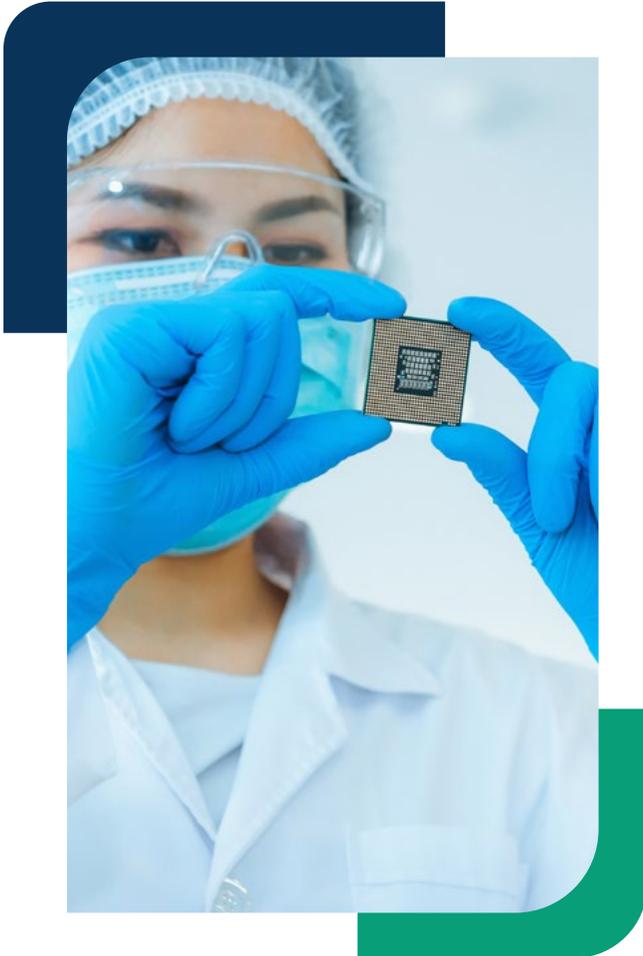
Be sure it includes:

- ✓ **KPIs:** relevant metrics related to the hiring, retention, or advancement of diverse talent, or data based on job satisfaction or workplace culture surveys.
- ✓ **Measurement:** a straightforward way to track KPI progress and performance.
- ✓ **Roles:** clearly defined responsibilities for DEI leaders and employees.
- ✓ **Goals:** clear implementation expectations and benchmarks.
- ✓ **Tools:** anything needed to bring it to life, be it coaches, consultants, or knowledge products.

06

Industry Snapshots:
Tech, Life Sciences, Manufacturing

Tech Industry: Slower Growth, Heightened Demand



Pay rates remain high for contract roles amid the rise of remote work, yet talent is there if you know where to look.

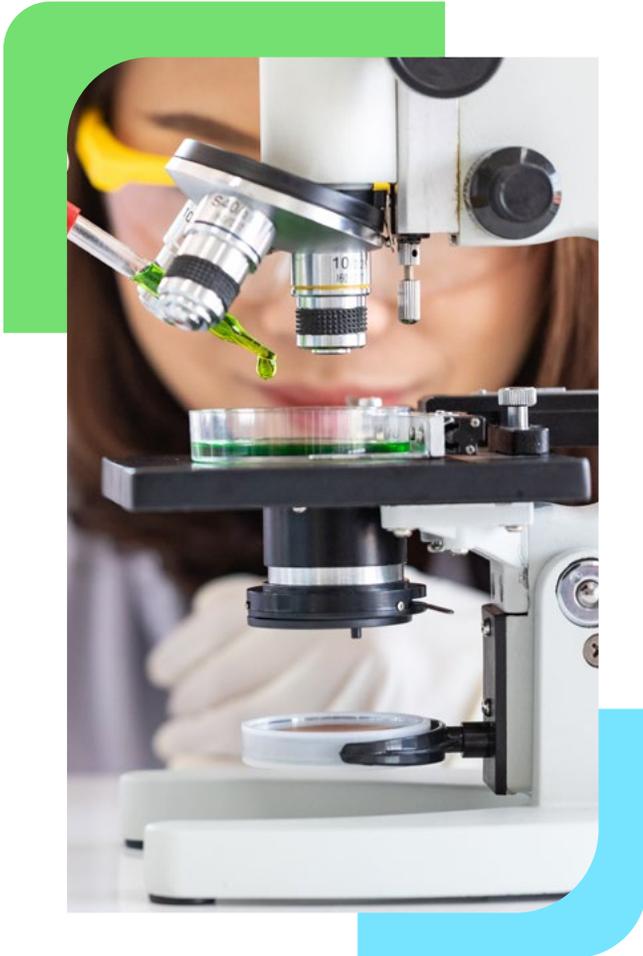
- **Tech talent is out there and looking for work**—tech roles now receive 27 applicants per opening, a 10% increase since the start of 2022.
- Heightened demand + continued labor shortage = **a wage premium.**
- **Developer and web developer** positions experienced the highest YoY growth.

Tech Industry:

“ Business transformation remains a key priority, driving demand for tech talent across industries and elevating tech openings for tech-related roles throughout 2022 and into 2023. While wages and job titles will continue to factor into the hiring equation, the strategic role many tech functions now play within organizations will dictate pay rates and bolster demand.”

- Paul Wolf, Account Director, Advanced RPO

Life Sciences Industry: Sights Set On a Return To Status Quo



Coming off of 2022 reorgs, layoffs, and program cuts, the life sciences and biotech industries are looking up and looking ahead.

- **In 2023, the industry is much leaner** and preparing to find its voice again.
- **Leaders share cautious optimism for 2023** amid downturn and layoffs.
- **The 'right' talent is still in demand:** Workers are particularly needed in clinical trial support, medical writing, and biostatistics.
- **Previously tight competition for lab space is softening,** creating more opportunities for startups to grow.

Life Sciences Industry:

“ While the ‘boom’ and record venture capital investments of 2022 are over, and economic uncertainty persists and the threat of layoffs persist, we see the market remaining resilient throughout 2023. A normalization will occur, playing off the capital gains of the past few years as restructuring becomes a priority.”

- John Hess, EVP Operations, Advanced RPO

Manufacturing Industry:

Continued Workforce Churn Leave Few Roles to Burn



Despite a record level of new hires, job openings remain near all-time highs.

- Manufacturing technicians and associates averaged rate growth **greater than 10% over the last several years.**
- **Talent management strategies are focused on reducing voluntary exits,** which outnumber layoffs and discharges.
- **Retaining high-performing talent** is a likely strategic priority for manufacturers in 2023.

Manufacturing Industry:

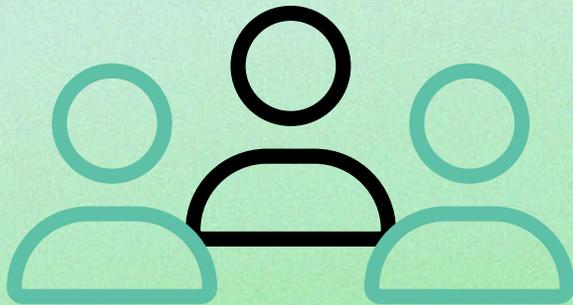
“Notable manufacturing trends to watch include the “smartification” of factories and continued interest in creating a sustainable supply chain. Finding candidates to fill roles that require these skills will be challenging given the tight labor market, but those with specific experience related to these trends could find themselves coming out ahead.”

- Kevin Armstrong, Program Director, Advanced RPO

Manufacturing Industry: Retaining High-Performing Talent

1 in 3

surveyed executives
have retaining high-
performing employees
as their strategic
priority for 2023



Top 5 Challenges

of respondents for managing the production workforce

Retaining existing talent **75%**

Finding the right talent **74%**

Maintaining competitive wage & benefit packages **51%**

Providing career advancement opportunities **22%**

Providing continuous skill development **16%**

07

Words and Terms to Know

Career Cushioning: A term borrowed from the world of dating that means cushioning for whatever comes next in the economy and job market, and taking actions to keep your options open.

Consumerization of the Workplace: A phrase that refers to people in the workforce looking for an employment experience that empowers them to make at least some of their own choices about tasks and goals.

Labor Hoarding: The practice in which a company does not lay off employees when it otherwise would (as during a recession). Labor hoarding is high risk as it reduces a company's profitability during a difficult time, but it guarantees employee talent will be available to that company (and, just as importantly, not to its competitors) when growth resumes.

Productivity Paranoia: The ability to be hyper-vigilant about potentially bad events that can hit your company and then turn that fear into preparation and clear-headed action.

Quiet Promotion: A play on quiet quitting that describes giving employees more work and responsibilities without a promotion and/or pay raise to match.

Reboarding: Updating a returning worker on current and new projects, acclimating the employee to new team cultures and relationships, and helping the employee understand different expectations for success on the job.

Right-Sizing: Restructuring a company to make a profit more efficiently and meet updated business objectives. Organizations typically right-size by reducing the workforce, reorganizing upper management, cutting costs, and changing job roles.

08

More Resources

Additional Resources:

eBook



2023 Hourly
Hiring Playbook

Download

Blog



Your Hiring Success
Secret Weapon:
The Recruitment
Scorecard

Learn More

Webinar



Recruiting Truths
Behind the Statistics

Listen Now

We know that finding and hiring the right talent is hard.

At Advanced RPO, we make it easier for you.

We are the powerful recruiting engine behind growing organizations. We partner with businesses to create recruiting scalability and workforce agility through our flexible end-to-end, hybrid and project RPO solutions. Our tenured team of experts has perfected our high-touch, technology-enabled approach that results in seamless, consistent processes and experiences, a stronger employer brand and impactful relationships with high-quality hires.

For more information, visit:

advancedrpo.com

312-263-0400

Some challenges we help solve:

- » Recruiting costs are too high and unpredictable: We help you gain control of recruiting costs by optimizing your processes for efficiency and savings.
- » We cannot hire fast enough to meet growth goals: Our adaptability means your agility. Our scalable, on-demand solution gives you the power to handle hiring spikes with flexibility to adapt to changing business initiatives.
- » We don't have the recruitment expertise to meet the specialized hiring needs: Recruiting is our core competency. Our experts, on our large team of experienced recruiters within niche skill sets, can help you find your experts.
- » We do not have a passive sourcing strategy: Over 70% of the candidates our clients ultimately hire are passive. We have dedicated experts who focus on the most current and effective passive sourcing tactics.
- » I only have a short-term hiring need: Our project solution offers the same value adds as our RPO solution. You get access to our team of experts and industry-leading candidate and hiring manager experiences for the length of the project.

Sources:

- 1 <https://data.bls.gov/timeseries/LNS14000000>
- 2 <https://www.bls.gov/web/laus/laumstrk.htm>
- 3 <https://www.icims.com/wp-content/uploads/2022/08/iCIMS-2023-Workforce-Report-FINAL.pdf>
- 4 <https://www.usatoday.com/story/money/2022/11/22/job-market-hiring-freezes/10728829002/?gnt-cfr=1>
- 5 <https://www.bls.gov/>
- 6 <https://www.bls.gov.release/empsit.nr0.htm>
- 7 <https://www.hcmtechnologyreport.com/employees-plan-to-look-for-new-jobs-during-2023/#:~:text=The%20firm's%20Job%20Optimism%20Survey,job%20in%20the%20new%20year>
- 8 <https://www.icims.com/wp-content/uploads/2022/08/iCIMS-2023-Workforce-Report-FINAL.pdf>
- 9 <https://www.cnbc.com/2022/12/14/nearly-half-of-american-workers-want-a-promotion-or-raise-in-2023.html>
- 10 <https://emtemp.gcom.cloud/ngw/globalassets/en/human-resources/documents/trends/hr-top-priorities-2023-ebook.pdf>
- 11 <https://www.icims.com/wp-content/uploads/2022/08/iCIMS-2023-Workforce-Report-FINAL.pdf>
- 12 <https://www.pwc.com/us/en/library/pulse-survey/managing-business-risks.html>
- 13 <https://www.pwc.com/us/en/library/pulse-survey/managing-business-risks/chro.html>
- 14 <https://www.payscale.com/content/whitepaper/new-playbook-for-salary-negotiation.pdf>
- 15 <https://recluitonomics.com/it-pays-to-be-transparent/>
- 16 <https://www.prnewswire.com/news-releases/one-in-three-employees-plan-to-look-for-a-new-job-next-year-according-to-new-icims-research-301674525.html>
- 17 Jenna Hinrichsen
- 18 <https://www.businesswire.com/news/home/20220726005410/en/Most-Employees-Would-Quit-Over-Lack-of-Company-Commitment-to-DEI-Efforts-Says-New-GoodHire-Survey>
- 19 https://thediversitymovement.com/wp-content/uploads/2022/11/5-StepRoadmap_2023-.pdf
- 20 <https://www.forbes.com/sites/teresahopke/2022/12/01/5-dei-trends-to-retire-in-2023/?sh=7cde8fcf31ea>
- 21 <https://www.forbes.com/sites/teresahopke/2022/12/01/5-dei-trends-to-retire-in-2023/?sh=7cde8fcf31ea>
- 22 <https://magnitglobal.com/content/dam/prounlimited/content/whitepapers/us-labor-market-report-fall-2022.pdf>
- 23 <https://www.fiercebiotech.com/biotech/2023-forecast-after-year-torrential-reductions-biotech-industry-yearns-brighter-days-are>

Sources:

- 24 <https://www.geekwire.com/2022/biotech-industry-leaders-share-cautious-optimism-for-2023-amid-downturn-and-layoffs/a>
- 25 <https://magnitglobal.com/content/dam/prounlimited/content/whitepapers/us-labor-market-report-fall-2022.pdf>
- 26 https://www.yahoo.com/video/career-cushioning-doing-190010629.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xILmNvbS8&guce_referrer_sig=AQAAAk3C70cxjvoh2zBZhQVuTdRxHyXapKe9mmpj0JLmoLscRS6Li9ZFP1a3b5uDvEKI6OIDMV76DZqNxFOIpSaUxxji3llz9DndqwQbcBJQZ-yGXdFIIBYRNq3KYkjsGDSY1YNWCWU-l2asJh3Ee9t5cnFAS_qHZfZQ9B7LGAmT450
- 27 <https://cowdenassociates.com/workplace-2020-consumerization-is-key-to-productivity-and-roi-2/#:~:text=Human%20resources%20experts%20refer%20to,choices%20about%20tasks%20and%20goals>
- 28 <https://financial-dictionary.thefreedictionary.com/Labor+Hoarding>
- 29 <https://hbr.org/2011/10/three-leadership-skills-that-c#:~:text=Productive%20Paranoia.&text=Andy%20Grove%20ran%20around%20%E2%80%9Cclosing,into%20preparation%20and%20clearheaded%20action.>
- 30 <https://www.themuse.com/advice/quiet-promotion-survey-tips#:~:text=Hot%20Jobs%20on%20The%20Muse&text=This%20time%20it's%20%E2%80%9Cquiet%20promoting,or%20pay%20raise%20to%20match.>
- 31 <https://www.shrm.org/resourcesandtools/tools-and-samples/exreq/pages/details.aspx?erid=1700#:~:text=Whether%20employees%20are%20returning%20from,and%20relationships%3B%20and%20helping%20the>
- 32 <https://www.bamboohr.com/resources/hr-glossary/rightsizing#:~:text=Rightsizing%20is%20the%20process%20of, costs%2C%20and%20changing%20job%20roles.>

