

Oakleaf Quarterly Insights - US



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The US Market

The job market in the US remains quite tough. Job gains in June were **↓30%** on May, and July's numbers were **↓10%** on June's. New data released on 4th August by the Bureau of Labor Statistics showed that just **187,000** jobs were added in July. Job market growth is certainly slowing, and June's monthly gain was the smallest since Dec 2019. Prior to June, the labor market had remained strong in the face of the Fed's continual rate rises to cool the economy. January to June was the 12th largest job gain period on record – **1.67m** jobs.

Certain industries drove much of this job gain, particularly the leisure and hospitality industries who have still been rebuilding the losses from the pandemic and trying to manage the increased demands from consumers. Healthcare, financial technologies and construction all reported hiring increases while employment in manufacturing, professional and business services sectors typically dropped.

Wages are rising quicker than inflation which is lifting purchasing power for households and encouraging consumer spending, which is a positive development.



The HR Hiring Market

The second quarter of 2023 saw a consistent drop in the volume of HR roles in the market. May was down on April's figures by **20%** and June was down a further **50%**. Interestingly July saw numbers bounce back to Q1 levels. We saw the total volumes of HR vacancies half across Q2 from the highs of Q1.

July's numbers indicate a tempered recovery and many of our customers are inferring that they expect that to flatten through August before seeing activity pick up again into September as firms look to plan hiring in Q4 for 2024.

We have seen an increase in specialist, technical roles – notably payroll, total rewards, compensation and benefits, and a drop in what are perceived as the more traditional HR hiring priorities, as outlined from our own research into the HR hiring market:

- The majority of roles (**81%**) sit in the **\$120-180k** salary level, an increase from in June. The level of roles at the **\$180k +** level fell over the same period too.
- External demand for HR Generalist and Business Partner roles dropped from **46% → 24%** of the overall HR hiring market. Roles in Talent Acquisition and Recruitment, so heavily in demand last year fell from **20%** of the HR hiring market to **11.5%**. Almost a **50%** drop!
- We have also seen a drop in the proportion of Talent Management and Learning & Development roles from **20% → 6%**.
- Reward roles now make up **22%** of overall HR hires, rising dramatically from **13%** month ago.



What's trending in 2023

A Forbes article published in May on [HR Statistics and Trends in 2023](#) reveals some interesting data points as a benchmark for HR departments.

We are seeing a few key challenges and trends that seem to be absorbing the most time from an HR perspective:

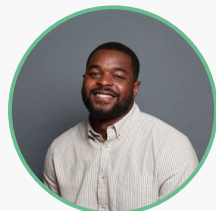
- **Hybrid working** – Yes, it is still a hot topic! Different industries are responding in different ways. Financial Services is undoubtedly pushing the button on returning to the office more than other firms, with HR teams being asked to be back in 3 or 4 days as a minimum. Even the tech champions of remote / hybrid working are reversing their communications – Meta, Zoom and Amazon...
- **Leadership & management effectiveness** – Post pandemic requirements of the workforce have changed the way people think and behave and as such this has created a whole raft of challenges and learning for managers.
- **HR Technology** – Ongoing improvement in tech capability, specifically around how HR can embrace AI.
- **Payroll** – There are a few key areas of focus in the payroll sphere. Talent upskilling, offshoring and transition / change (process improvement, system improvement, functional alignment)
- **Cultural change / transformation** – Working practices, performance improvement, cultural intelligence



Oakleaf Updates

People

I am delighted to welcome Donnie Fletcher and Riley Garrett to the team in New York. Donnie joins us to focus on HR into Professional Services & Financial Services. Riley joins us to help grow out Interim / Fractional & Temporary solutions for our customers.



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Salary Survey

We will be publishing one for review in September. This will be sent out to all our customers.

“Proudly redefining the recruitment experience one person at a time.”

