

This month's "Spotlight" topic:
Office Environments: Open Floor Plans are Open for Debate

Job Growth Remains Strong in July Unemployment Unchanged

JOB GROWTH: Although not as strong as the gains seen in June, hiring activity remained strong in July, with the addition of 164,000 new jobs.

TOP INDUSTRIES: Growth in July was strongest across professional and technical services, healthcare, social assistance and financial activities.

UNEMPLOYMENT: Unchanged from the previous month, the unemployment rate maintained its near-record low of 3.7%.

WAGES: Wage growth was positive again in July, with average hourly earnings for the year moving slightly ahead to 3.2%.

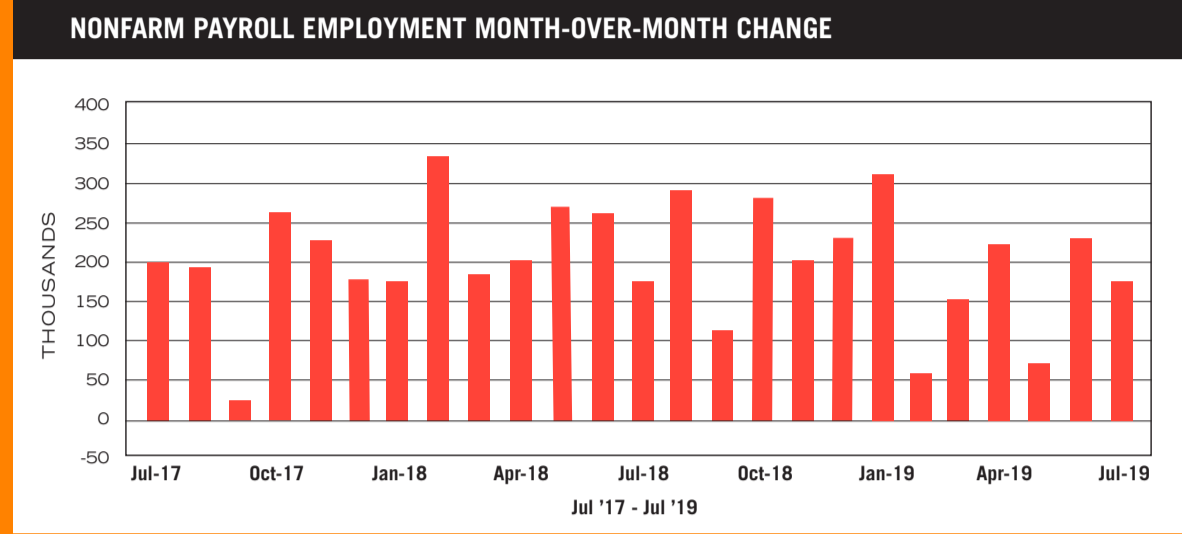
WORK WEEK: There was a small contraction in the work week in July, with average hours dropping back to 34.3.

TEMPORARY JOB TRENDS: The temporary help sector added 2,200 new jobs in July.

WHAT DOES IT ALL MEAN? July was a month in which labor market indicators were strong and steady, albeit, unremarkable. Jobs, wages and unemployment all closely met expectations. Overall, economists say the outlook is good, even though forward momentum is clearly slowing in comparison with 2018. This good news for the economy continues to challenge employers, as the talent pool shows no significant signs of expanding to meet current demands for workers across the board. To counter this, some employers are increasing their investments in automation; others are expanding their recruiting efforts to engage candidates still in school and military service, as well as in previously underrepresented communities.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, CNBC, CNN, The New York Times, Bloomberg, The Washington Post

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



The labor market added 164,000 new jobs in July.



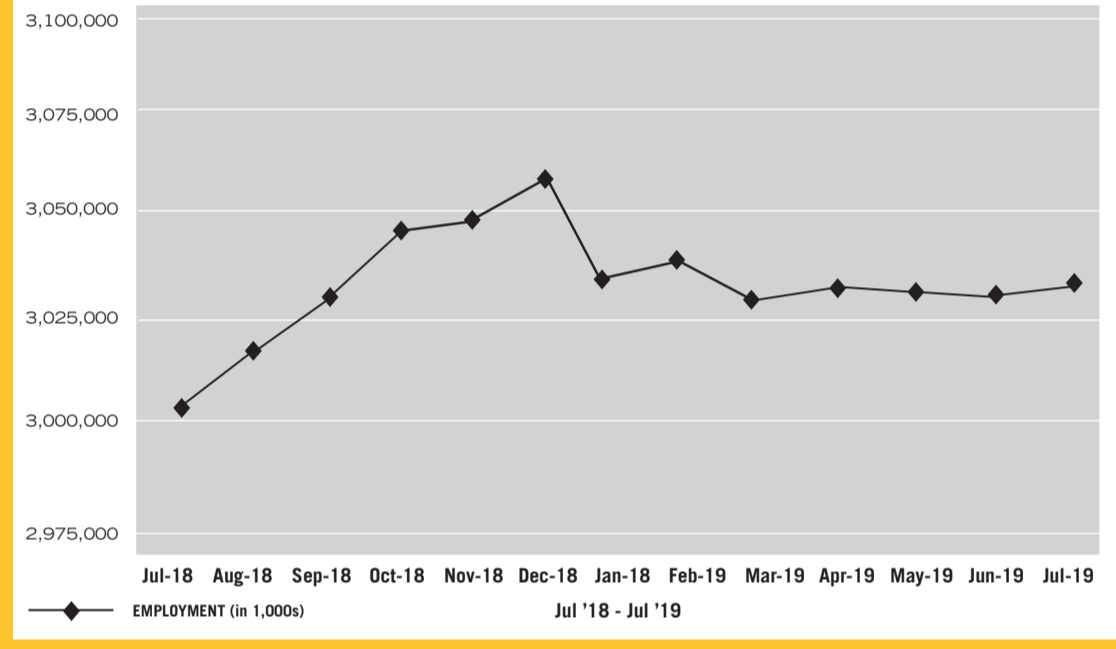
CHART 2: TOP INDUSTRIES / SOURCE: BLS

Job growth of 164,000 in July was strongest in healthcare & social assistance.



SECTOR GAINS	JOB INCREASE
Healthcare & Social Assistance	+50,400
Professional & Business Services	+38,000
Manufacturing	+16,000
Leisure & Hospitality	+10,000
Transportation & Warehousing	+300
SECTOR DECLINES	JOB DECREASE
Retail Trade	-3,600

CHART 3: TEMPORARY WORKFORCE / SOURCE: BLS & STEINBERG EMPLOYMENT RESEARCH



The temporary help sector added 2,200 new jobs in July.



Office Environments: Open Floor Plans are Open for Debate

With an increasing number of offices moving to open floor plans with more shared spaces and little privacy, employee reviews on their impact are very mixed. Many employees, especially Millennials, say they are improving collaboration, creativity and productivity. Meanwhile, significant numbers of employees say they are killing productivity and creativity. So which ones are right?

Businesses want their employees to be happy. They also want them to be highly collaborative and productive. As businesses look for ways to increase collaboration, productivity and creativity, many have invested millions in office redesigns that essentially took a wrecking ball to the once ubiquitous cubicle walls. While employers may think cubicle walls are a barrier to collaboration, many employees view them as a poor but desirable means of achieving a modicum of privacy from 9 to 5. Once the walls come down, every employee is suddenly on display.

With so many open plan offices positioning employees in closer proximity, some coworkers talk to one another more. All that talking is a tremendous distraction for others, who often turn inward, using headphones to concentrate. In some cases, open plan offices have experienced a spike in electronic communications by workers who either consciously avoid face-to-face interaction or simply wish to minimize interruptions for themselves and others.

The 2019 Emerging Workforce® Study, commissioned by Spherion, found that employees are relatively split on the benefits of open plan workspaces.

- 64% say open floor plans are improving collaboration while 33% say it's killing collaboration.
- 53% say it's improving creativity, while 42% say it's killing creativity.
- 49% say it's improving productivity, while 46% say it's killing productivity.

Millennials are far more positive about the benefits of open plan offices but fairly aligned with all employees on the downsides of open plan.

With proponents and detractors split on the benefits of open plan, employers need to understand how individual preferences, workstyles and changing business needs can be accommodated in a workplace that makes it easy for employees to concentrate and collaborate in equal measure. Considering that an increasing number of employees are seeking the solitude of remote work, it's important to quickly find the right balance.

CHART 4: VIEWS ON OPEN OFFICE PLANS / SOURCE: 2019 SPHERION EMERGING WORKFORCE STUDY

Overall, employees are split on the benefits of open plan offices



CHART 5: MILLENNIALS PREFER OPEN PLAN / SOURCE: 2019 SPHERION EMERGING WORKFORCE STUDY

MILLENNIALS are far more positive about the benefits of open plan offices



CHART 6: OFFICE ENVIRONMENT MATTERS / SOURCE: 2019 SPHERION EMERGING WORKFORCE STUDY

Job candidates care about office environment as much as company culture

73%

of employees say:
"A company's overall office environment (office space, energy, number of co-workers, etc.) will determine whether I accept a job or not."

