

This month's "Spotlight" topic:  
*How Different is Gen Z?*

## January Sets Strong Pace for Job Growth in 2018 with 200,00 New Jobs Amid Continued Record-Low Unemployment and Rising Wages

**JOB GROWTH:** The new year brought job growth of 200,000.

**TOP INDUSTRIES:** The strongest job gains in January were scored in construction, hospitality, healthcare, and manufacturing.

**UNEMPLOYMENT:** The unemployment rate continued unchanged at 4.1 percent—a rate it has sustained for the fourth month running and still at its lowest level in 17 years.

**WAGES:** Amid lots of buzz around the possibility of fatter paychecks in the future due to tax breaks, bonuses and raises, January offered up a positive sign as the average hourly earnings rate moved from 2.6 percent to 2.9 percent on an annual basis.

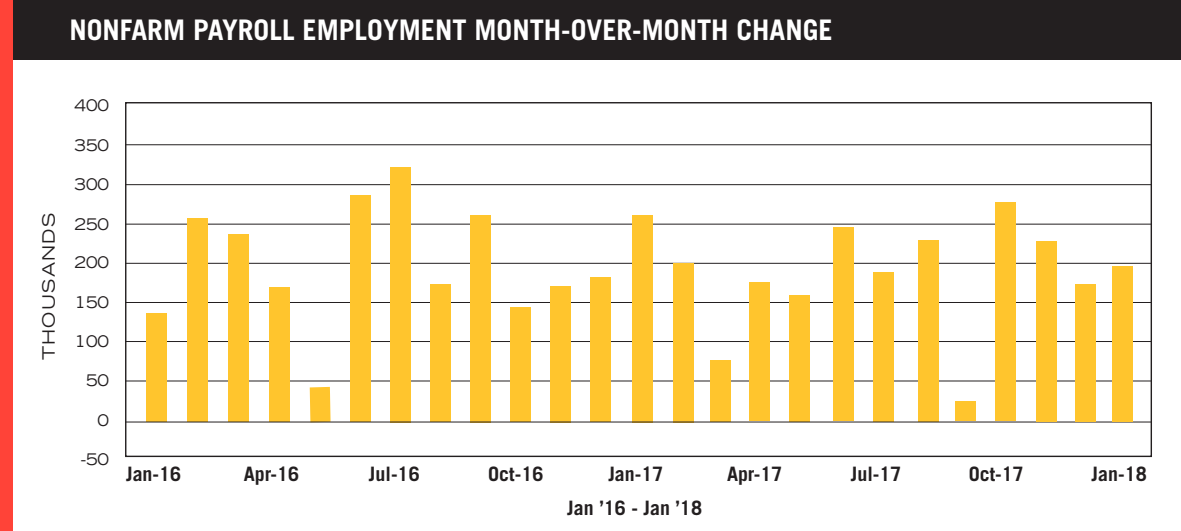
**WORK WEEK:** The average work week in January was a bit shorter than December, shifting from 34.5 hours to 34.3 hours.

**TEMPORARY JOB TRENDS:** The temporary jobs sector added 1,800 jobs in January 2018, after a restatement of 2017 activity lowered the bar on overall growth for the year. Although this change dropped the temporary share of the total market below the three million milestone, the temporary help sector achieved annual growth in 2017 that exceeded the previous year.

**WHAT DOES IT ALL MEAN?** Right out of the gate, 2018 is showing solid growth in employment, although it is expected to be slower growth than in recent years. The brightest spot in the economic landscape this month is the welcome news of positive movement in wages, after several years of puzzling stagnation. The fact that employers are (finally) upping financial incentives to attract and retain talent underscores the continuing challenges employers face in light of ongoing skills shortages.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, Associated Press, The Wall Street Journal, CNN/Money, CNBC, Reuters, Business Insider, Observer, Fortune

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



Good start to 2018 with the addition of 200,000 jobs in January.



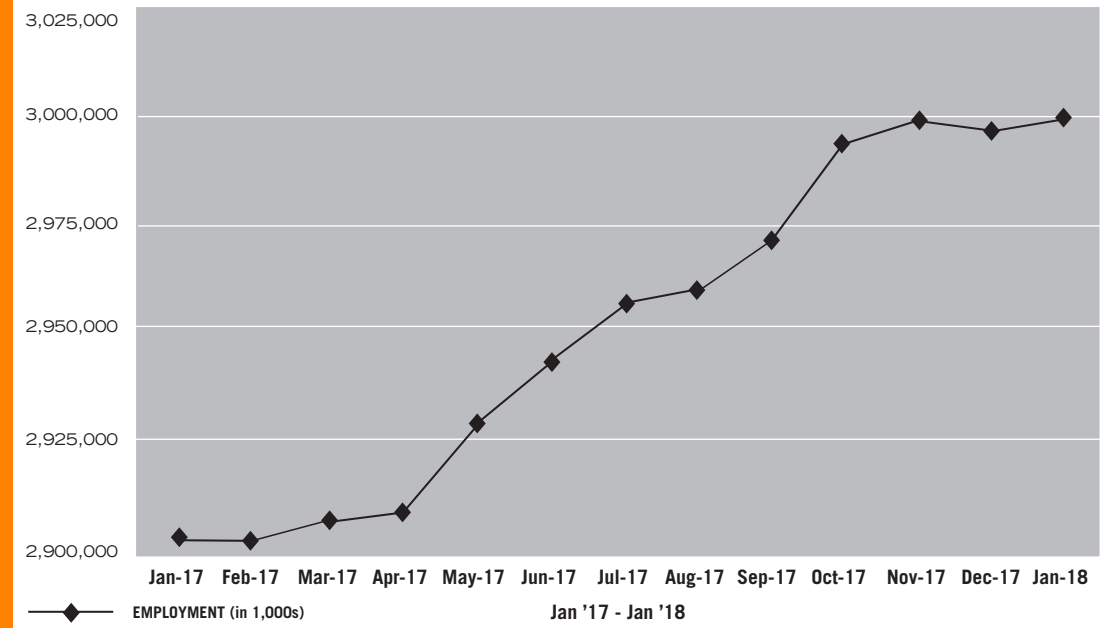
CHART 2: TOP INDUSTRIES / SOURCE: BLS

With gains across all sectors, January's positive momentum offers optimism for steady jobs growth in 2018.



SECTOR GAINS	JOB INCREASE
Leisure & Hospitality	+35,000
Healthcare & Social Assistance	+25,800
Professional & Business Services	+23,000
Retail Trade	+15,400
Manufacturing	+15,000
Transportation & Warehousing	+11,100
Financial Activities	+9,000

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



The temporary jobs sector added only 1,800 jobs in the first month of the new year.



## How Different is Gen Z?

Just when you think you have a handle on the Millennial generation, along comes Gen Z. How different are the newest entrants to the workforce from their Gen Y (i.e., Millennial) predecessors? Are Gen Zers simply younger, more educated, diverse, collaborative, socially responsible and more at ease in a digital world or are there distinct differences in the two generational cohorts?

According to the Emerging Workforce® Study, commissioned by Spherion, Gen Z has far more in common with Gen Y than it does with Gen X and Baby Boomers, but there are some subtle differences in what motivates each group of younger workers.

Both generations long for flexibility, with Gen Z placing greater emphasis on the ability to work from home. In fact, Gen Z holds the strongest views of any generation on remote work as a significant contributor to productivity, collaboration, engagement, satisfaction and relationships.

One oft-cited characteristic of Millennials is their zeal for making an impact on the world around them. Gen Zers share this commitment—in some ways to an even greater degree. Gen Z workers exceed Gen Y in their determination to only work for companies that contribute to the communities they care about and help build a better world. They are also more likely to feel their employers' efforts to support their passions fall short.

As the generation that most recently wore a cap and gown, Gen Z is more interested than Millennials in employer benefits to pay off student debt and defray ongoing educational expenses. They are also far more likely to give up vacation time in favor of a pay raise.

Every generation brings its own unique characteristics to the workplace. To attract, engage and retain both younger generations, employers should avoid broad brush stroke approaches. Consider policies and practices that recognize and promote generational distinctions that can contribute to an organization's success.

CHART 4: GEN Z ON COMPANY REPUTATION / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY

Younger workers, especially Gen Z, believe company reputation is now as important as the job offer.



Gen Z	Gen Y	All Employees
76%	71%	64%

CHART 5: GEN Z & FLEXIBILITY / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY

Why does remote work make more sense to Gen Z?

REMOTE WORK IMPACTS HR OUTCOMES	Gen Z	Gen Y
Employee productivity	79%	73%
Collaboration	75%	59%
Employee engagement/satisfaction	74%	72%

Gen Z is more interested in working from home, at least some of the time, than any other generation

Gen Z	Gen Y
16%	11%



CHART 6: RETAINING GEN Z / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY

Gen Z and Gen Y differ somewhat on why they stay with an employer

Gen Z Retention Drivers	Gen Y Retention Drivers
1. Benefits	1. Financial Compensation
2. Growth & Earnings Potential	2. Benefits
3. Time & Flexibility	3. Growth & Earnings Potential
4. Culture & Work Environment	4. Time & Flexibility
5. Financial Compensation	5. Culture & Work Environment
6. Management Climate	6. Supervisor Relationship
7. Training & Development	7. Management Climate
8. Supervisor Relationship	8. Training & Development