

This month's "Spotlight" topic:  
*How Contingent Became Cool*

## Employment Growth Rises Above 300,000 in the First Month of the Year

Unemployment Again Edges Up to Higher Rate of 4.0 Percent

**JOB GROWTH:** January hiring set a strong pace, with the addition of 304,000 new jobs. This was significantly higher than the adjusted 222,000 recorded for the previous month.

**TOP INDUSTRIES:** The industry sectors reporting the highest gains in January included leisure and hospitality, construction, healthcare and transportation and warehousing.

**UNEMPLOYMENT:** Hitting 4.0 percent, the unemployment rate edged up in January, following an increase in December. The partial government shutdown was cited as contributing to the latest rise.

**WAGES:** Hourly earnings trended up again, moving the average annual rate up to 3.2 percent.

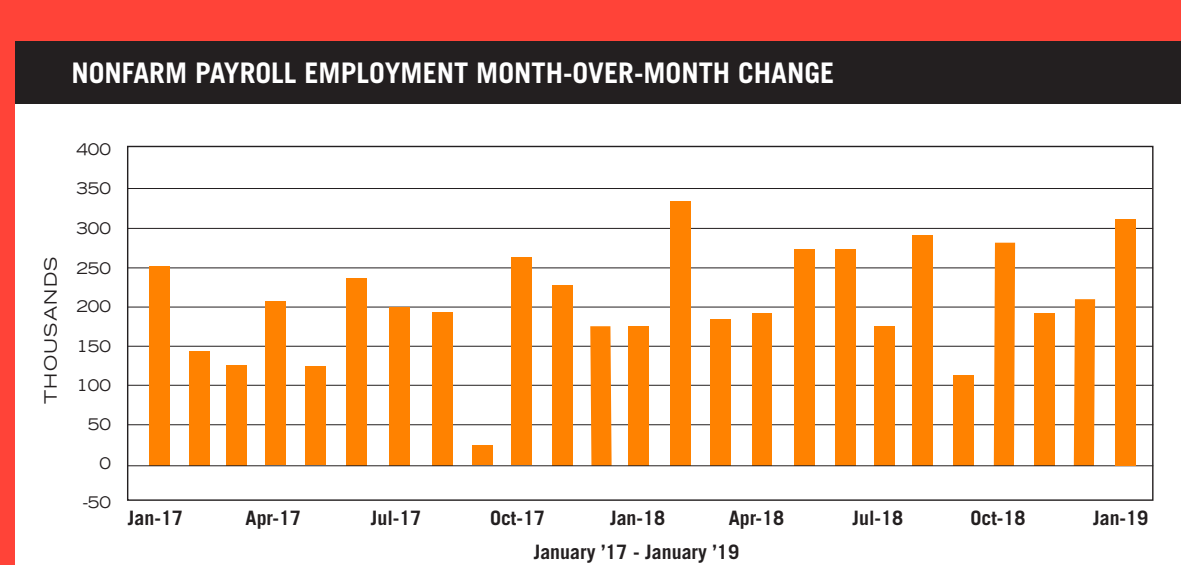
**WORK WEEK:** The average work week was unchanged in January at 34.5 hours.

**TEMPORARY JOB TRENDS:** Growth in the temporary jobs sector slowed in January, adding only 1,000 new jobs in the first month of the year.

**WHAT DOES IT ALL MEAN?** The January jobs report offered strong evidence of a robust economy. Not only was January the 100th month of consecutive job growth, it recorded the highest number of new jobs in 11 months. Convinced job growth will moderate as we move through the year, economists anticipated significantly lower numbers for the month. Those predictions are in line with the many businesses that report difficulty meeting hiring projections, due to a shrinking labor pool. Compounding that worry is a less than rosy compensation picture. Although wages expanded slightly in January, this remains an area of concern as workers are more apt to switch jobs in search of a significant salary bump.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, CNBC, Staffing Industry Analysts, Bloomberg, FOX Business, CBS News, MarketWatch, The Washington Post, The Wall Street Journal

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



Employers added 304,000 new jobs in January.



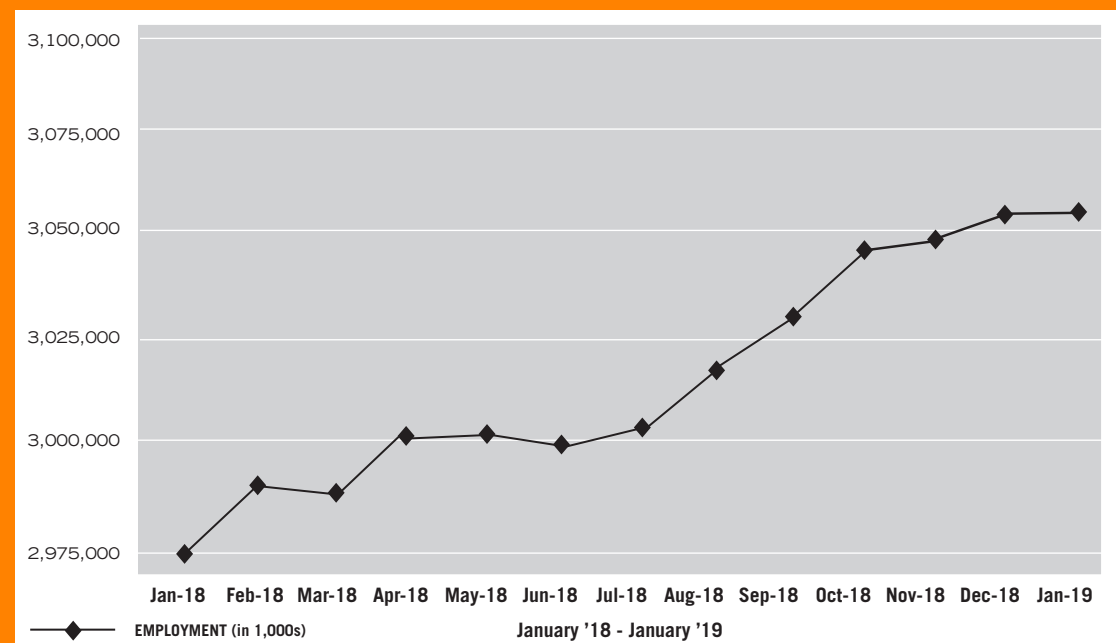
CHART 2: TOP INDUSTRIES / SOURCE: BLS

Employment increased by 304,000 in January, with the strongest growth in leisure and hospitality jobs.



SECTOR GAINS	JOB INCREASE
Leisure & Hospitality	+74,000
Healthcare & Social Assistance	+45,400
Professional & Business Services	+30,000
Transportation & Warehousing	+26,600
Retail Trade	+20,800
Manufacturing	+13,000

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



Temporary help services added 1,000 jobs in January.



## How Contingent Became Cool

There was a time when "temping" was viewed with disdain and "consulting" was code for unemployed. Those perceptions have been tossed aside by the millions of Americans who make their living as part of the growing contingent workforce, as well as the employers who increasingly rely on those workers to drive growth.

Although the concept of contingent work may have been born out of a need for low-skilled labor and seasonal fill-ins more than seven decades ago, that narrow definition has changed significantly, even remarkably so, in the past 25 years. It has expanded to include almost every role and profession at every level of skill and experience, from manufacturing and marketing to finance and accounting to technology and healthcare. The holiday season typically sees a surge in contingent hiring to meet demand for retail and logistics skills. However, the tax season has its own spike in demand for higher-skilled accounting and tax professionals. Today there are few restrictions on the types of talent that can swell the corporate ranks in a contingent capacity, whether to fill critical skill gaps or to free up in-house talent to work on high-priority projects.

The growth of the contingent workforce has been driven from two directions: workers who deliberately choose to opt out of traditional employment arrangements and employers who have come to view contingent labor as a strategic source of greater agility in the marketplace.

According to the latest Emerging Workforce® Study, commissioned by Spherion, more workers opt for agile employment based on economics, technology and lifestyle choices. They believe contingent work allows them to achieve better work/life balance, make more money, learn more and take greater control over their careers.

Employers have increased their use of contingent workers to broaden their talent pool, access hard-to-find skills, strengthen their workforce, drive innovation, respond more nimbly to changing customer demands and achieve higher return on investments.

As employers face a continuously shrinking talent pool with more workers choosing employment that allows them to work when and where they wish, the concept of contingent work has clearly been elevated in the eyes of both employers and employees.

CHART 4: TEMPORARY WORK NOT SO TEMPORARY ANYMORE / SOURCE: 2018 SPHERION EMERGING WORKFORCE STUDY

## Agile work continues to gain prominence and prestige

### AGILE WORKERS

41%

Workers who say they will only work for a company that offers agile employment opportunities

34%

Agile workers who say they will remain an agile worker for the foreseeable future or until they retire



CHART 5: CONTINGENT IS A DELIBERATE CHOICE / SOURCE: 2018 SPHERION EMERGING WORKFORCE STUDY



## TOP 5 REASONS people choose contingent work over traditional employment

CHART 6: THE FUTURE OF CONTINGENT WORK / SOURCE: 2018 SPHERION EMERGING WORKFORCE STUDY

## How employers envision a future where CONTINGENT WORK IS COOL

Employers who use a mix of permanent and agile workers will be the most successful

78%

Employers who utilize agile workers will be most attractive to potential employees

68%

Employers who do not use agile workers will be at a disadvantage

65%

An increasing number of people will only work for companies that offer agile employment arrangements

63%

Agile workers are among the most skilled and sought-after talent in the workforce

54%