
Indeed & Glassdoor's Hiring and Workplace Trends Report 2023

The Indeed Hiring Lab and Glassdoor Economic Research teams have joined forces to shed light on what the coming years will bring to the labor market, and how these trends will impact employers, employees, and the future of work.

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Foreword

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The labor market has been forever reshaped by the COVID pandemic. While a bleak economic outlook, cost of living crisis, and political turmoil have been grabbing the headlines around the world, fundamental changes have continued to take place and the world of work isn't going back to the way things were before.

Demographic trends mean countries like the US, Canada, the UK, France, Germany, and Japan will experience an ongoing shortage of workers as their populations are aging. Without sustained immigration, an increase in labor productivity, or a focus on attracting workers on the sidelines of the labor force, these countries simply won't have enough workers to fill long-term demand for years to come.

COVID didn't reverse the long-run demographic trends that will drive tight labor markets for the next decade, but it did accelerate changes to the workplace. Perhaps most importantly, it helped workers wake up to the fact that they have the leverage to demand change in the workplace—and left many employers at a loss about how to deal with this new dynamic.

Together, using data-driven analysis, Indeed and Glassdoor economists share and examine five trends of the modern workplace that will reshape the labor market in the long-term. The Indeed Hiring Lab—an international team of economists and researchers whose insights drive the global labor market conversation—along with Glassdoor Economic Research team, whose deep understanding draws from a rich database of millions of employee reviews, salaries, and conversations—worked together to create their first-ever joint Hiring and Workplace Trends Report. The economists at both organizations explored the current state of the workplace and what it means for the labor market of tomorrow. The goal of this report is to support employers as they navigate this watershed moment in history.

The trends identified will persist beyond the near-term fluctuations in the business cycle, and the companies that focus on them will ensure their workplace survives, even thrives, into the future.

The Top Long-term Labor Market Trends From Indeed and Glassdoor Include:

- Demographic shifts and aging populations mean hiring will remain challenging for years, as labor supply issues will remain.
- Remote work, which was a necessity during the pandemic, will continue to thrive.
- What employees want is changing, including their compensation and benefits needs, with inflation playing a key role.
- Company culture is valuable in both attracting and retaining employees, as a way for employers to further distinguish themselves from their competitors.
- Diversity, equity, and inclusion will remain top of mind, as employees continue to deeply care about these initiatives, as well as the progress employers are making, or not.

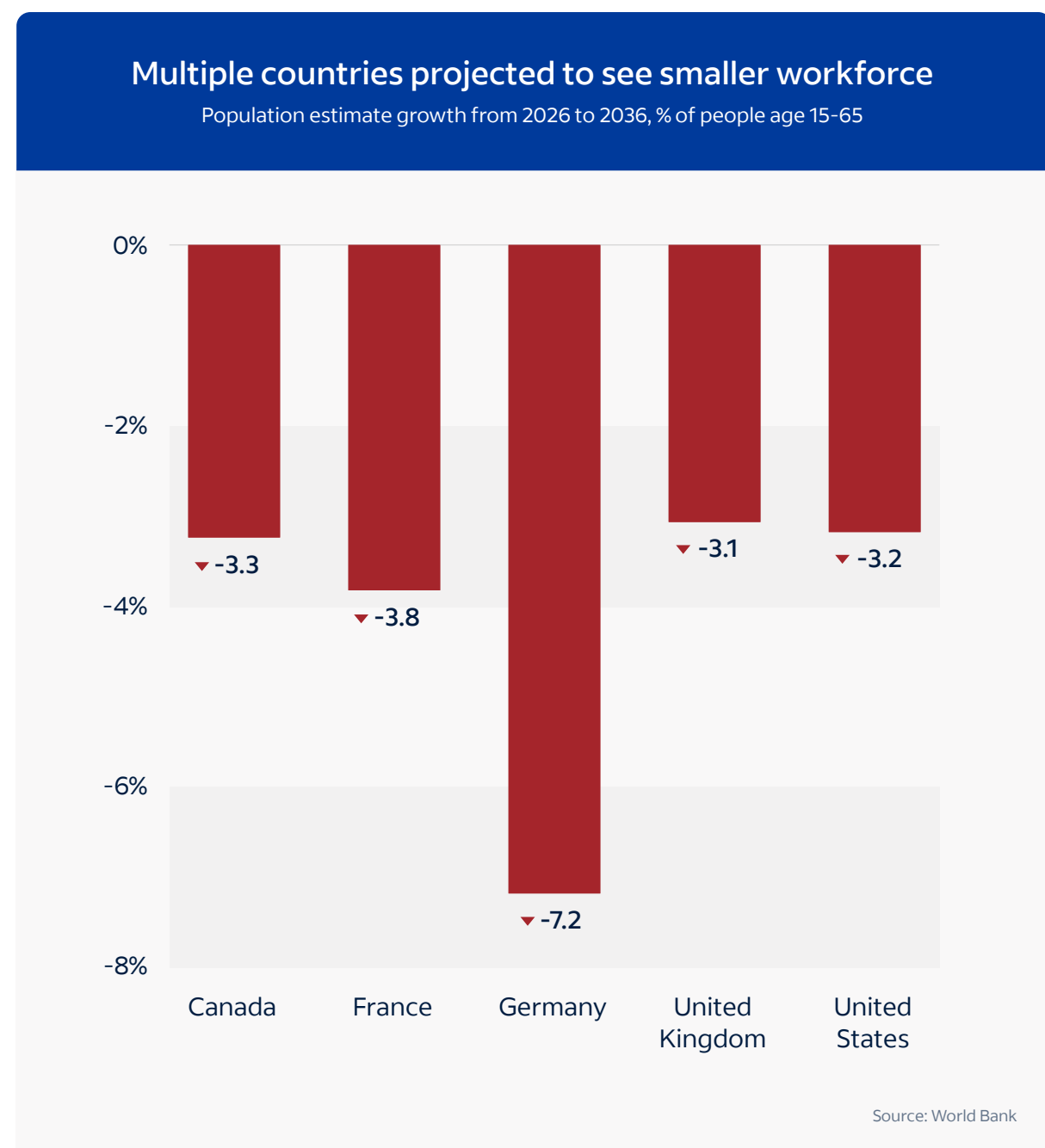
LONG-TERM TRENDS

#1: Tight Labor Supply Will Continue to Impact Hiring

It is a fundamental error to think that as COVID recedes, hiring difficulties will evaporate. Deep-seated and long-term supply dynamics will continue to be a major force that creates a persistent gap between employer demand for new hires and the supply of candidates. That means the hiring difficulties seen today will continue beyond the short-run impacts of the pandemic. To be sure, the economies of many countries could slow or even fall into recession as central banks work to lower inflation. But even if employers' hiring appetites fade, the supply of workers seems likely to remain tight in the long run.

But the tight supply of workers has a fundamental impact on the workplace as a whole. Not only will hiring be more difficult, but workers will have more power to demand changes. The following trends in this report will be persistent *because* of this supply and demand gap within the labor force.

The principal reason for this can be summed up in one word: demographics. Over the next decade, the number of people of working age (between 15 and 65), will decline in a variety of countries, according to [World Bank projections](#):

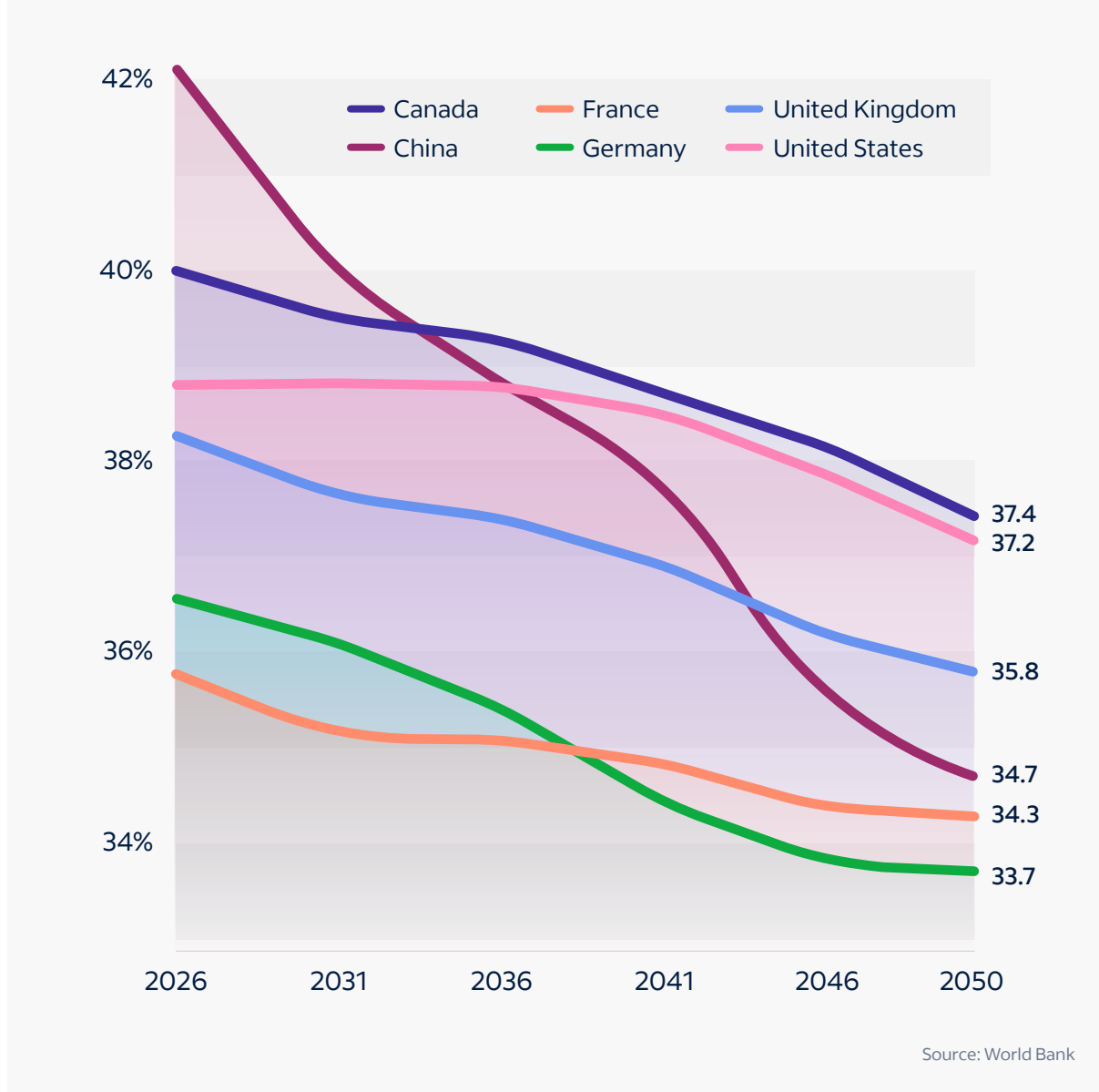


Fewer people of working age mean the supply of workers will dwindle. Combine this aging population with other trends, such as reduced immigration, and the stage is set for chronic recruiting challenges. Of course, this will play out differently from country to country:

- **US** and **UK** population growth will be driven solely by net migration. In the UK, [deaths are projected to exceed births by 2025](#).
- In **Canada** and **Australia**, populations will continue to grow—in Canada thanks largely to migration. But the share of people over 65 will rise rapidly in both countries.
- In **Germany**, [the population is aging and the labor force is shrinking](#). Migration is still not back to pre-pandemic levels.
- [The French labor force is expected to expand slowly until 2040 and then contract](#).
- **Japan's** demographic prospects are particularly stark, [with the population forecasted to fall from 128 million in 2010 to below 100 million by 2050, while the share of those ages 65 and older soars](#).
- A shrinking population is projected in a variety of other countries, including **China**, which is poised to overtake the US as the world's biggest economy sometime in the next decade.

Prime age population projected to decline across multiple countries

% of total projected population that is age 25-54, by country



Despite looming talks of recessions, Indeed and Glassdoor economists believe that hiring will remain challenging for years to come driven by demographics and evolving preferences. Workers will continue to have the leverage to press for higher pay, stronger benefits, scheduling flexibility, and a variety of other perquisites.

The fact that hiring will remain a challenge will impact every aspect of the labor market, and is the driver behind the additional long-term trends outlined in this report.

What Can Be Done?

Employers and policymakers can take steps to make hiring easier in the face of labor supply constraints. Three responses stand out:

Immigration:

Attracting workers from abroad is an effective way to promote hiring in tight [labor markets](#). National policies that allow immigrants quick access to employment widen avenues for [recruitment](#). Even Japan, known for strict immigration limits, has eased visa requirements for certain categories of workers.

Overlooked pools of workers:

In the US and other countries, employers are tapping into groups of workers often passed over, such as those with [criminal records](#). Most countries have laws prohibiting discrimination against disabled people, but employers can do more to accommodate these workers by adopting flexible work policies. Flexibility in areas such as work scheduling is also key to attracting and retaining [older demographics](#) as well as women, who must juggle jobs and childcare responsibilities [more often than their male counterparts](#).

Investing in productivity-enhancing technology:

Replacing workers with machines has been controversial since the debate over automation decades ago. Data shows, though, that technological advances can boost productivity without pushing up joblessness. For example, in the US, thanks to online booking, ticket and reservation agents represent much smaller shares of airline employment than they did five decades ago, while the share of customer service employees in the industry has climbed more than tenfold. Machines—and digital technology in its ever-expanding range of applications—can actually help fill gaps in the labor supply.

LONG-TERM TRENDS

#2: Remote Work Is Here to Stay

The near-complete global shutdown due to COVID made working remotely essential. Meetings on Zoom and workers staring at computer screens from their kitchen tables remain an enduring image of life during the pandemic. As a result of this forced work-from-home test, many employers discovered a somewhat surprising result: remote work *worked*.

The acute need to work from home has ended, yet the ability and option to work from anywhere is thriving. On Indeed, job postings advertising remote work are above where they were prior to the pandemic, albeit their numbers have slightly decreased since their pandemic heights. Searches for remote work remain popular with job seekers. In fact, on Indeed, searches for jobs not fully tied to work sites continue to command much higher shares of overall searches than they did in 2019.

While COVID may have unlocked this trend, this successful proof of concept, a tight labor supply and workers' preferences will ensure remote work will persist for some jobs. Employers also benefit—remote work offers expanded talent pools.

A [recent study by Indeed](#) suggests that positions that offer remote work have substantial potential to attract a global pool of candidates. Because remote jobs can theoretically be done from anywhere, they are a particular draw for foreign job seekers.

And while recruitment is still largely confined inside national frontiers due to tax codes and other barriers, many hiring managers are competing with employers across the country, and even across the globe.

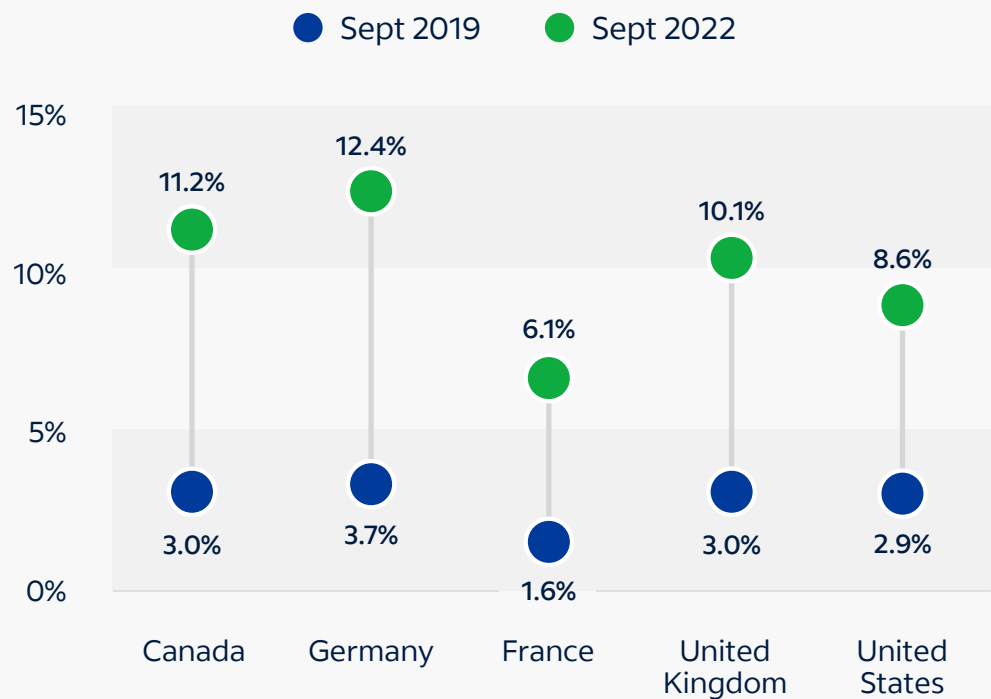
However, there will always be a large number of jobs that are not compatible with remote work. It's estimated that only about a third of occupations are suitable for remote work.¹ Hamburgers can't be flipped, trucks can't be driven, and surgery can't be performed from home offices. Employers trying to fill in-person jobs may find themselves at a disadvantage as workers gravitate toward work that lets

Employers trying to fill in-person jobs may find themselves at a disadvantage as workers gravitate toward work that lets them stay home.

On Indeed, in-person employers are responding by [offering signing bonuses](#) relatively more heavily than their counterparts recruiting for remote-friendly occupations. In fact, in July of 2022 some 5.2% of US job postings on Indeed advertised signing bonuses, more than three times higher than in the same month in 2019, but below the December 2021 peak.

Remote job postings remain elevated

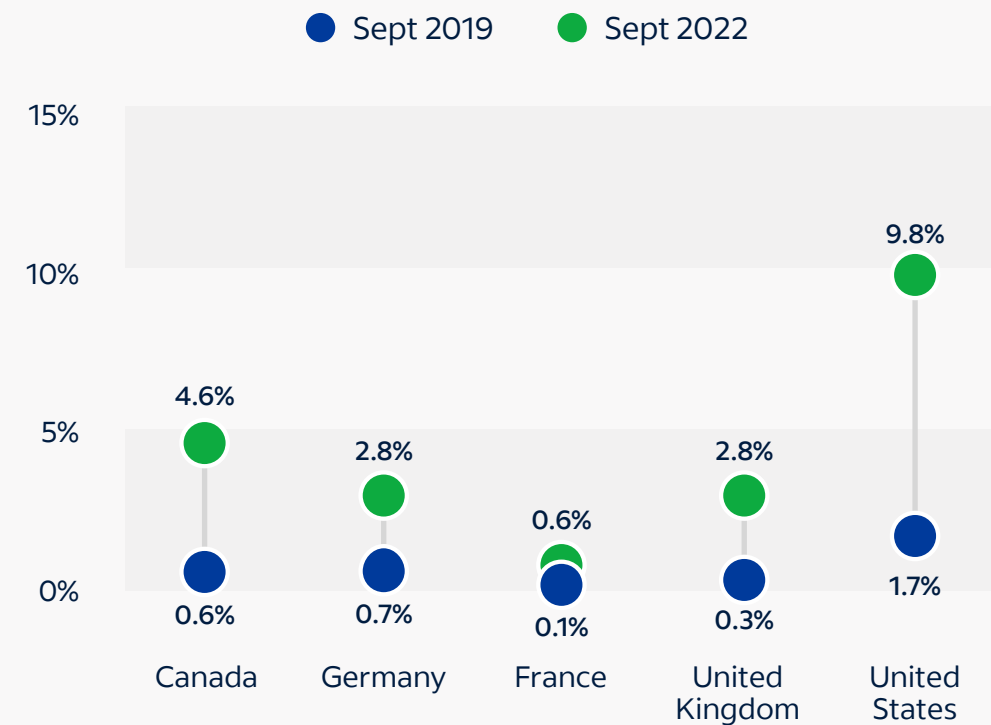
% of job postings mentioning remote work by country



Source: Indeed. Data is 7-day moving average as of September 30.

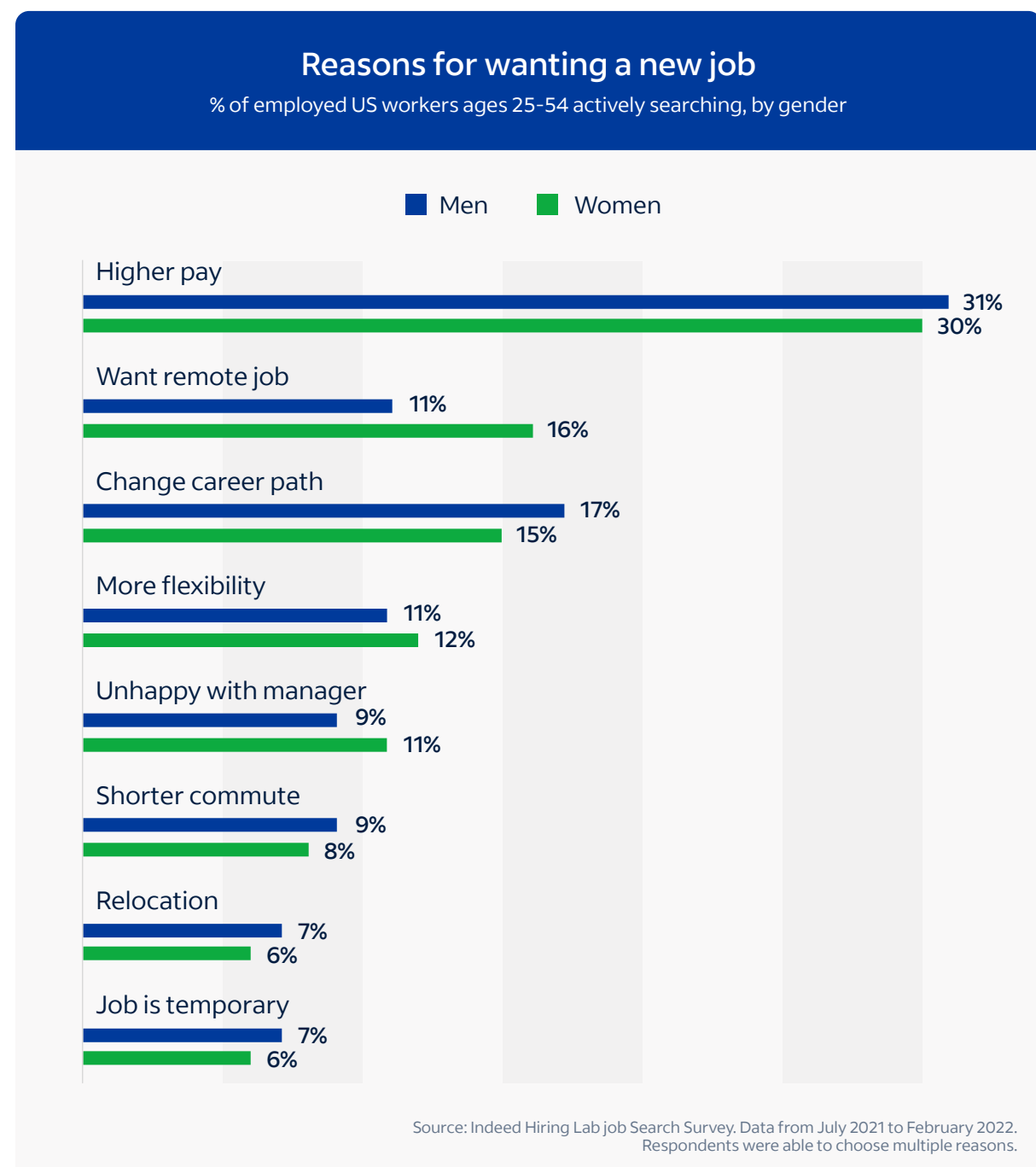
Remote job searches still outpace pre-pandemic levels

% of job searches mentioning remote work by country



Source: Indeed. Data is 7-day moving average as of September 30.

1. Jonathan I. Dingel and Brent Neiman estimate that 63% of US jobs require significant onsite presence and that the remaining 37% can be performed entirely at home.



With workforces spread far and wide, employers and policymakers have much to ponder as the long-term impacts of remote work are yet to be determined, or fully felt. Remote work could intensify economic inequality and gender roles (women seek remote jobs at higher rates than men). At the same time, remote work eliminates the commute, which has allowed workers

with disabilities to find and maintain employment. In addition, remote work has the potential to create much more diversity in the workforce. Remote work at this scale is new territory for employers, and it is imperative they continue to monitor and adjust their policies to ensure the inclusivity, equity, and diversity of their workforce.

The Great Remote Work Mismatch

It turns out many workers don't miss the office—but many employers do. This has led to numerous well-publicized conflicts between workers and employers, as some company leaders have tried to turn the clock back to pre-pandemic times.

Some companies have been faced with petitions from employees who've been asked to come back into the office several days a week. Other corporate leaders have taken hard stances on return-to-office protocols—and have even dismissed employees who did not follow the policy.

Despite those headlines, remote work is here to stay, and many companies hiring for hard-to-fill roles are leaning into it. Some trends we're seeing include:

Software development job postings lead in advertising remote work across markets.

- In the US, Canada, France, Germany, and the UK, software development job postings is the job title most often advertising remote work as of September 2022.
- It's not just software development job postings that consistently advertise remote work. Other tech jobs like IT Help Desk and Information & Design also have substantial remote work advertisements in each of these markets.

In Canada, 30% of **marketing job postings** mention remote work. That's a sizable increase from 5.9% before the pandemic. It's a similar story in Germany where 10.2% of marketing job postings mentioned remote prior to the pandemic but that number now sits at 39.5% as of September.

- In the US and the UK respectively, around 27% of marketing job postings advertise remote work, a significant climb from the US's 7.1% and UK's 4.5% in September 2019.
- France bucks the trends, with only 11.8% of its marketing job postings mentioning remote work as of September 2022.

Even with reports of financial institutions trying to get employees back into an office, **banking and finance job postings** continue to advertise remote work at elevated levels.²

- Germany leads, with 30% of its finance and banking job postings mentioning remote work while France is slightly less than half of that at 13%.
- In Canada, 23% of banking and finance job postings mention remote work, compared to almost 20% in the UK and US.
- Pre-pandemic, only Germany's banking and finance job postings mentioning remote were in the double digits. None of Canada, the UK, France, and the US's remote banking and finance job postings reached 10% of the sector.

LONG-TERM TRENDS

#3: As Workers Seek Higher Pay, Benefits Can Set Employers Apart

Compensation remains king for job seekers.

Among employed US workers ages 25-54, [higher pay](#) was the most often selected reason they searched for a new job. This is true for all industries, including those working for hourly wages. In spring 2021, [the share of searches for \\$20 wages surpassed those for \\$15](#) and as of August 2022 has grown 35.5% year over year. Widespread wage gains and inflation are likely both influencing job seekers' expectations toward higher dollar amounts.

Searches mentioning \$20 surpass those for \$15

Share of US searches per million on Indeed containing dollar amount



Source: Indeed. Data is 7 day moving average.

Across wage levels, there have been substantial nominal wage gains over the last 12 months as employers try to find workers.

So how can employers set themselves apart, especially as raising wages is not always possible?

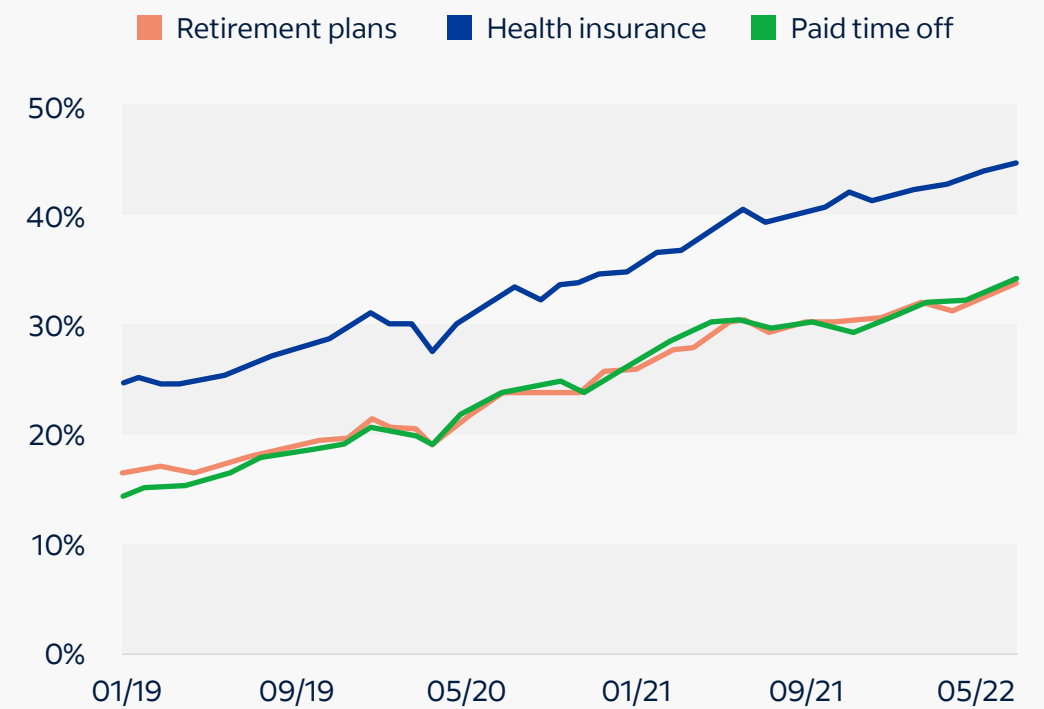
As hiring challenges persist, due in part to the shrinking working-age population, holistic benefits have become an even more critical part of compensation packages. In the US, these benefits provide employers ways to

differentiate their organizations and sweeten job offers, especially in occupations at the lower end of the wage scale that typically require in-person attendance, like childcare or food preparation and service.

This trend can be seen in job ads on Indeed's US platform. Advertisement of Indeed employment ads in three major benefit categories—healthcare, retirement, and paid time off—has climbed across the US labor market.

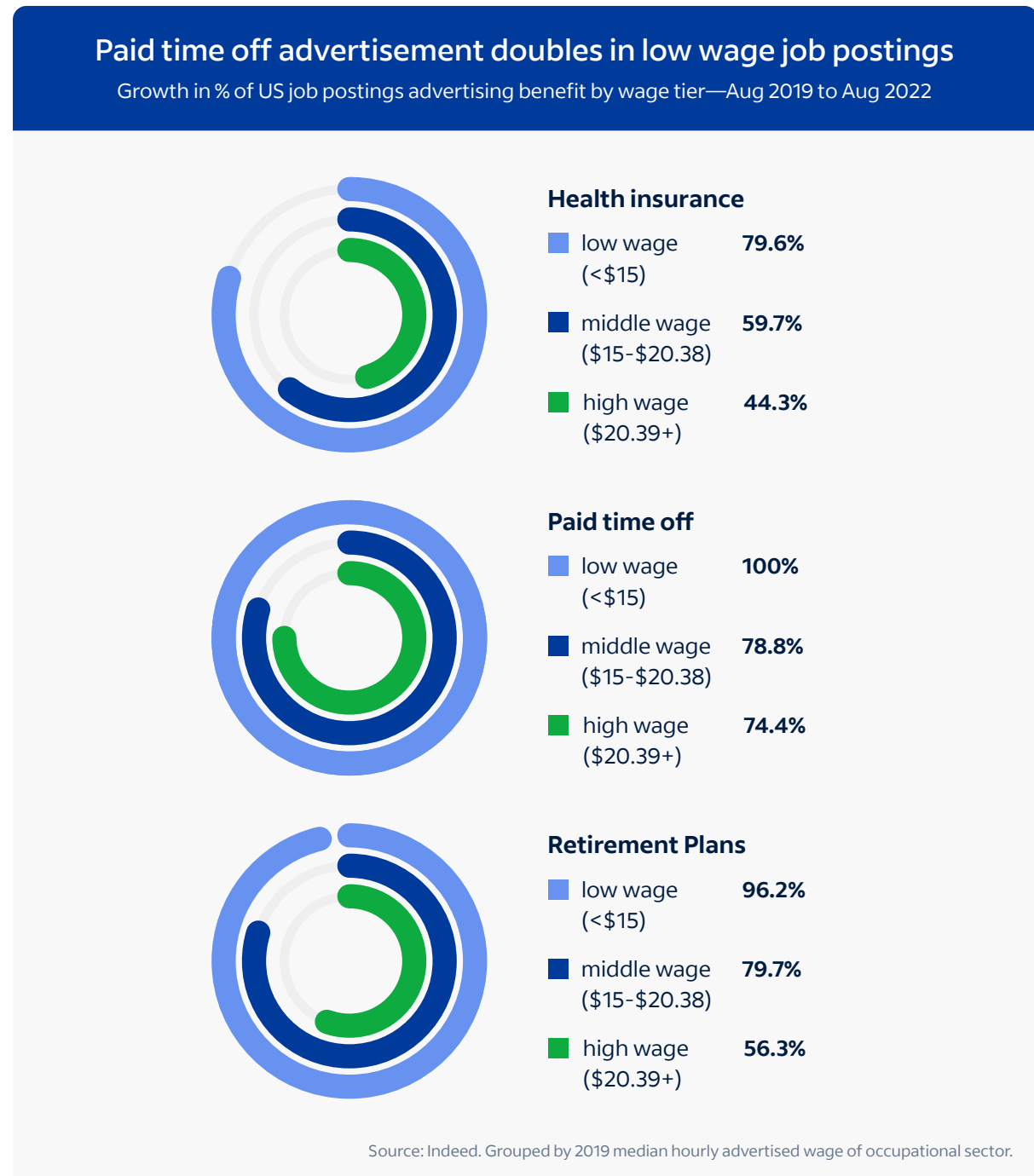
Advertising of benefits rising

% of US job postings advertising benefit



Source: Indeed

But the rise has been most pronounced in sectors where employers have been scrambling for workers, and many of those jobs pay lower wages and require attendance at a worksite. From August 2019 to August 2022, for instance, in low-wage sectors like personal care and home health, paid time off rose from 21.3% to 38.8%.



Access to health coverage, time off with pay, and retirement plans are important to most job seekers. Thus, it's not surprising that relative job-seeker interest has skewed toward higher-paying, more remote sectors where it's assumed employers offer these benefits. The message? Employers in lower-paying and in-person sectors will have to stretch if they want to attract job seekers in tomorrow's labor market, and may need to get a little creative.

As employers compete for talent in a tight labor market, they have not only advertised better and more benefits to job seekers, but workers have also noticed an increase in their "portfolio of benefits" on the job.

In recent years, stocked kitchens and free lunch became a baseline benefit at many technology companies. Post-pandemic, the lunchtime landscape is shifting. According to an analysis of benefit reviews on Glassdoor, free lunches are on the rise in perhaps unexpected corners of the economy, like manufacturing and transportation/logistics. Meanwhile, fewer employees are reporting free lunch or snacks at technology companies, which is partly driven by many of those employees still working remotely. For these workers, free lunches and snacks used to be an incentive to work longer hours; now they are an incentive to come into the office at all.



Similarly, access to [commuter benefits](#) grew in many of the industries that do not have a remote work option. These benefits could include free parking, public transportation reimbursement, and even money for gas.

Change in the share of benefit reviews on Glassdoor reporting “commuter assistance”: Q1 2019 - Q3 2022

Top five rising industries

- | | |
|--|-------------|
| 1. Arts, entertainment, and recreation | ▲ +4.1 ppts |
| 2. Restaurants and food service | ▲ +2.3 ppts |
| 3. Legal | ▲ +2.1 ppts |
| 4. Hotels and travel accommodation | ▲ +2.0 ppts |
| 5. Retail and wholesale trade | ▲ +1.5 ppts |

The priorities by industry for in-office food and commuter benefits have shifted in the post-pandemic era between office workers and those who worked, and continue to work, in person.

Perhaps the most critical benefit that seems to be growing across all industries is mental health care. In addition to the havoc COVID had on the

labor market, it impacted the mental health of many, which was reflected in the workforce. Soon after the start of COVID in the US, an upward shift occurred in the share of employee benefit reviews on Glassdoor that say that their employer offers mental health benefits. This trend steadily increased throughout 2022.

Percent of benefit reviews on Glassdoor reporting “mental healthcare”, median across US industries



Source: Glassdoor
* through end of Q3 2022

**LONG-TERM TRENDS**

#4: Happiness and Wellbeing Matter

While salary and benefits remain top of mind for employees, creating a positive company culture is a key area that employers can use to further distinguish themselves, especially in the face of remote work. With more choices for workers thanks to a smaller labor pool, employees are demanding greater wellbeing in their experience at work, including increased levels of happiness, satisfaction, purpose, and manageable stress.

According to [Indeed's Work Wellbeing 2022 Insights Report](#), 90% of people believe that how we feel at work matters, yet only 49% of people report their company is measuring happiness and wellbeing.³ Measuring and understanding employee wellbeing is becoming vital to attracting and retaining talent.

This year's research indicates that expectations around wellbeing at work continue to increase and have been accelerated by a global pandemic:

46%

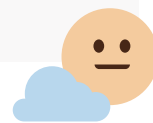
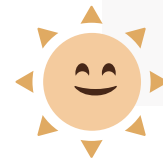
of people say their expectation around happiness at work has increased in just the last year.

86%

of people say that how they feel at work impacts how they feel at home.

Stress

is leading to turnover. After pay considerations, stress, lack of satisfaction, and happiness are the leading reasons people look for new opportunities.



Glassdoor research shows similar trends. Across the US, the UK, Germany, and France, workers who are more satisfied with their current jobs are less likely to begin an application for a new job elsewhere:

2x

US employees who rate their companies 2 stars (on a 1 to 5 scale) are twice as likely to begin an application to a new job on Glassdoor than those who rate their companies 5 stars.

-6%



A 1-star increase in a US employee's Glassdoor rating is associated with a 6% drop in the likelihood that they begin an application for a new job.

The relationship is even stronger in the UK, France, and Germany.

UK

In the UK, a 1-star increase in an employee's Glassdoor rating is associated with a **19% decline** in the likelihood that they begin an application to a new job on Glassdoor within the next week.

FR

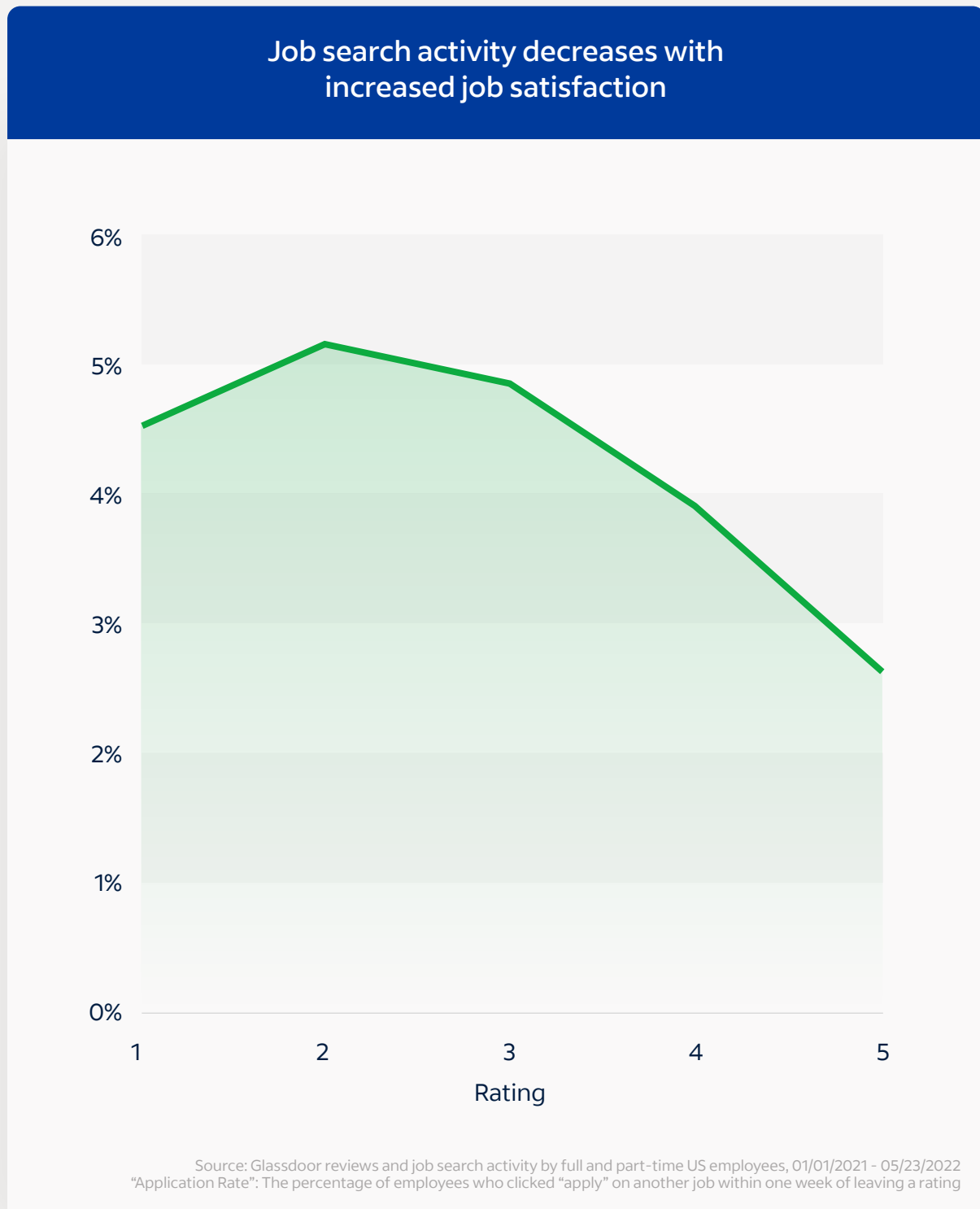
In France, a 1-star increase in an employee's Glassdoor rating is associated with a **25% decline** in the likelihood that they begin an application to a new job on Glassdoor within the next week.

DE

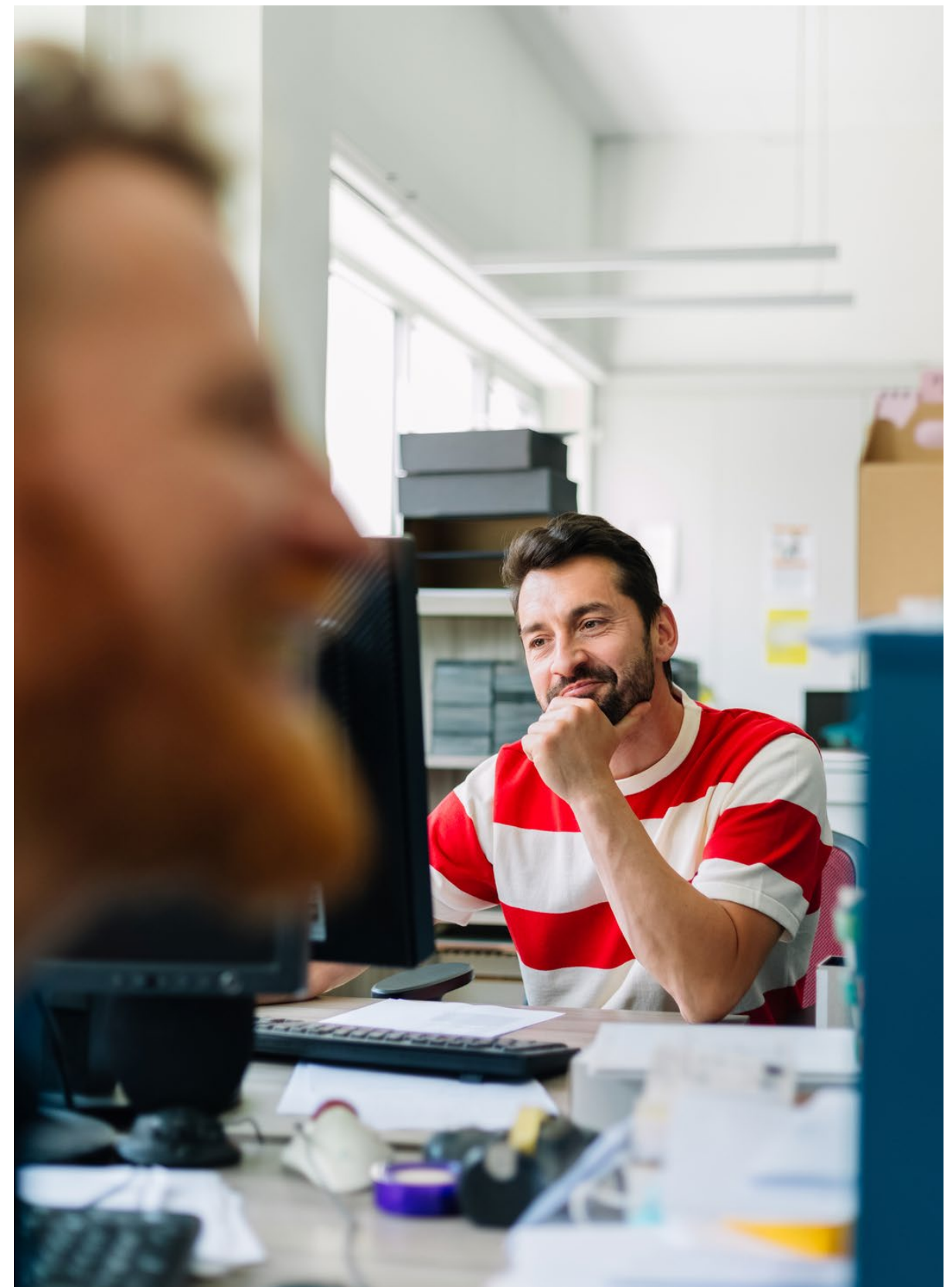
In Germany, a 1-star increase in an employee's Glassdoor rating is associated with a **15% decline** in the likelihood that they begin an application to a new job posting on Glassdoor within the next week.



3. Indeed Work Wellbeing 2022 Insights Report: Indeed commissioned Forrester Consulting who surveyed 5,026 active US workers (adults ages 18+ who reported either working full-time or part-time or actively searching for a job, assuming they haven't been unemployed for more than 2 years).



To help ensure employees are satisfied, and thus more likely to stay at an organization, there must be a greater focus on better understanding, measuring, and supporting the wellbeing and happiness of employees.



LONG-TERM TRENDS

#5: The Changing Workforce Is Pushing Diversity, Equity, and Inclusion to the Forefront

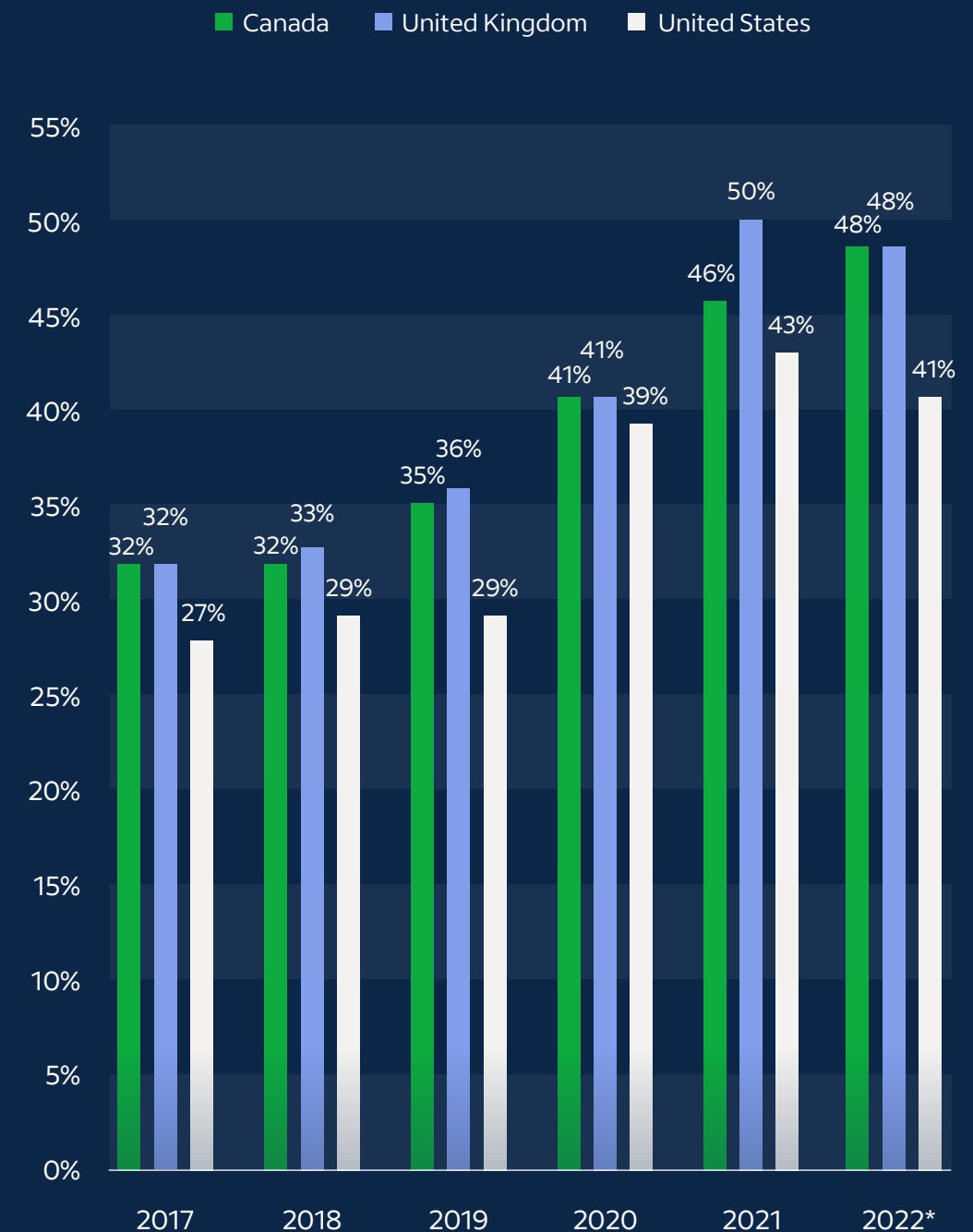
There is a generational divide when it comes to attitudes toward diversity, equity, and inclusion (DEI) in the workplace—and as older workers vacated jobs during the pandemic, their younger counterparts find themselves in a position to demand more when it comes to social justice.

A September 2022 survey from Indeed & Glassdoor shows that age and generation—more so than gender, race/ethnicity, geography, sexual orientation, or parental status—determine whether someone believes DEI is important in the workplace.



The share of Glassdoor benefit reviews indicating that a company offered a DEI program—benefits such as employee resource groups, diversity training, and mentoring programs—surged in 2020 and 2021 in the US, Canada, and the UK as social justice and equity issues were front and center. Through the first three quarters of 2022, however, this progress has slowed in the US and UK, with the share of benefit reviews citing these programs dipping from 2021. Canada remains an exception, with an increasing percentage of reviews mentioning DEI benefits.

Percent of benefit reviews on Glassdoor reporting: diversity program



Source: Glassdoor
* through Q3 2022

For employers, this slowdown in DEI efforts could have a negative impact on their hiring and retention efforts. Nearly two-thirds (62%) of workers⁴ in the Indeed & Glassdoor survey of US workers said that they would consider turning down a job offer or leaving a company if they did not think that their manager (or potential manager) supported DEI initiatives. Among Black respondents, it was 80%.

Nearly three-quarters (74%) of US workers say that corporate investment in diversity, equity, and inclusion is “very important” or “somewhat important” to them when considering a new job. It’s even more true for women (76%),

Hispanics (77%), Black/Non-Hispanic workers (79%), parents (80%), and Asian-American/Pacific Islander workers (82%).

The workforce of tomorrow will care deeply about DEI initiatives and employers will use these programs to continue to differentiate themselves in a continuously competitive labor market. Plus, it’s not only good for workers—it’s good for business and for society.

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4. Survey Methodology: This survey was conducted online within the United States by The Harris Poll on behalf of Indeed and Glassdoor from August 30 - September 1 and September 6 - 8, 2022, among 4,049 adults ages 18+, of whom 2,688 are either currently employed or not employed but looking. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within +/- 2.8 percentage points using a 95% confidence level.

Conclusion

While no one can know exactly what will happen with the labor market, these five trends clearly show that attracting, hiring, and retaining workers will remain challenging for employers for the foreseeable future. As employers continue to grapple with an aging and more competitive workforce, they must be innovative about where to find workers and how to set themselves apart.

The strength of an organization's employees is directly associated with its business success. Beyond a competitive wage, offering employees top-notch benefits, positive, engaging company culture, and commitment to DEI initiatives will remain incredibly important to help win talent in a competitive and changing labor market.

As the global economic tides continue to turn, companies may face further whiplash. While they have been scrambling for over a year to find workers, the immediate macroeconomic outlook remains gloomy. The COVID pandemic ushered in a new world of work, and even as the immediate pandemic shocks recede, business leaders will continue to grapple with the aftermath. Real-time data, insights, and forward-looking thinking will help company leaders at all levels make informed decisions for the long term.



Indeed/Glassdoor economists by market

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Nick Bunker (Indeed, North America)	AnnElizabeth Konkel (Indeed, Global)
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