

Foreword

The world of work continues to shift after the whirlwind of the pandemic, major economic changes, and different market demands. As we rebalance, we've seen the workforce swing between the Great Resignation and now layoffs. And as we enter 2023, companies are radically adjusting their hiring, recruitment, and retention strategies to meet this changing environment.

Companies are flexing to market dips that followed massive booms during the pandemic, focusing on revenue optimization and reinvesting in the products and services that drive the most value. This year, we learned that organizations that strategically manage their workforce using labor market data¹ generate higher returns. Those who don't effectively use data? They're losing \$125,000 per employee per year. Technology is advancing in every sector, and AI, data science, and machine learning jobs are revolutionizing companies across the economy.

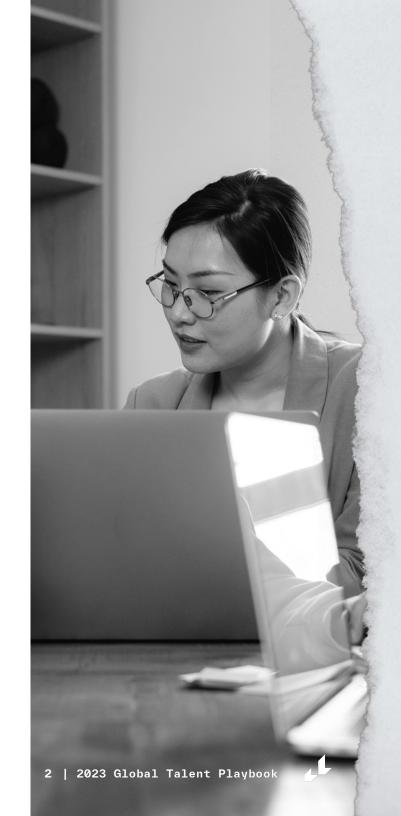
We see this bottom-line impact every day in our work with clients - and we wanted to share some of the insights we think will matter in 2023. What follows is a comprehensive report on the talent landscape that details how companies can leverage workforce intelligence to arm themselves with the latest data and executive insights - insights that are critical to guiding your strategy as we enter a new era of economic uncertainty. We hope you find this report useful — thanks for reading.



WILL MARKOW

VP, Capability Lead, Consulting,
Lightcast

"People Impact Gap Costing Corporate America \$1.8T Annually." CFO, November 29, 2022.
https://www.cfo.com/human-capital/2022/11/people-impact-gap-people-analytics-data-productivity-hiring-decision-making.



Introduction

Hiring practices are changing, and there's now data behind every job requisition, job posting, and offer. We analyzed the labor market data from the past year to help employers and hiring teams navigate talent management and career development strategy in 2023.

Here are the key themes that we found after looking through the latest labor market data.

- Remote work is here to stay, and telecommuting and virtual collaboration are the highest growth skills employers are looking for. Companies are looking for candidates with specialized skills around the globe, not just locally.
- As advanced tech becomes more essential to business growth, Al jobs, machine learning, and specialized skills like Figma and TikTok grew the most this year.
- Employers are hiring based on skills, and advertising wages with job postings which leads to more success filling roles and more equitable access to the workforce¹.
- The <u>highest wage growth</u> has been in lower wage roles and among non-white workers, along with job switchers.
- Talent planning is now driven by data², and companies understand the impact of labor market data on hiring and retention costs.
- Employers are investing in talent development and training, and tuition reimbursement, along with other long-term benefits.



Keep up with Lightcast for up-to-date salary and benefit data

Hear from our experts on the latest industry trends

Subscribe to the blog

²"People Impact Gap Costing Corporate America \$1.8T Annually." CFO, November 29, 2022. https://www.cfo.com/human-capital/2022/11/people-impact-gap-people-analytics-dataproductivity-hiring-decision-making.



^{1&}quot;Skills-Based Hiring Is on the Rise." Harvard Business Review, December 2, 2022. https://hbr.org/2022/02/skills-based-hiring-is-on-the-rise.

Key Findings

REMOTE WORK

15%

Remote jobs now represent 15% of all postings for roles requiring degrees

Compared to all new jobs, remote jobs have grown — remote roles requiring degrees are up more than 275% ↑ since 2019

The top three remote jobs in 2022 were

- 1. Web Developer
- 2. Video Game Designer
- 3. Computer Programmer

AI AND GREEN JOBS

In 2022, the countries with the highest percentage of Al jobs are the US, UK, and Spain

The share of total postings in AI fields has more than tripled in the US, UK, and Canada, since 2014

In the United States, the percentage of green jobs has **grown by over**50% ↑ since 2019

EMERGING SKILLS AND SKILL-BASED HIRING TRENDS

The fastest growing general/human skills in 2022 were

- 1. Telecommuting
- 2. Virtual collaboration
- 3. Growth mindedness

The fastest growing specialized skills in 2022 were

- 1. Machine learning operations
- 2. TikTok
- 3. Jira Align

Skills that have **grown by over**

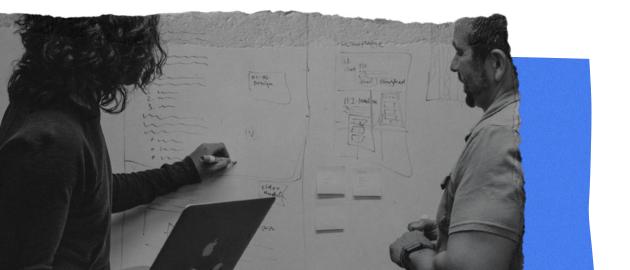
500% ↑ in 2022 include

Web 3.0

Net zero

QR codes

Figma





FASTEST GROWING OCCUPATIONS

The fastest growing degree occupations in 2022 were

- 1. Hybrid Mobile Developers
- 2. Virtual School Speech Language Pathologists
- 3. Chief Software Engineers

COMPENSATION RATES AND WAGE TRANSPARENCY

The rate of advertising wages on job postings more than doubled between 2017 and 2022

25%

of degree position postings now include an advertised salary

Wage growth over time has been the highest for the lowest wage levels and for people who have left their jobs versus those who stayed

In comparison to shorter term benefits like sign-on bonuses, longer term benefits, like **tuition assistance and retirement benefits, are growing in use**



The findings from this report are pulled from proprietary Lightcast job posting data. Explore exclusive workforce industry trends you won't find anywhere else.





Ready to take the guesswork out of talent planning?

We've got the data, the easy-to-use platform, *and* stellar support — all in one.

Lightcast's suite of talent tools and extensive job postings data helps teams build out competitive roles, then find the right candidates in the right places to fill them. Oh, and we'll help you keep them around, too.

With Lightcast, you'll feel confident:

- Discovering qualified talent with intelligent job postings
- Designing a talent and retention strategy built on the latest global data
- Optimizing your existing talent structure to match industry benchmarks

Schedule a walk-through of our talent tools

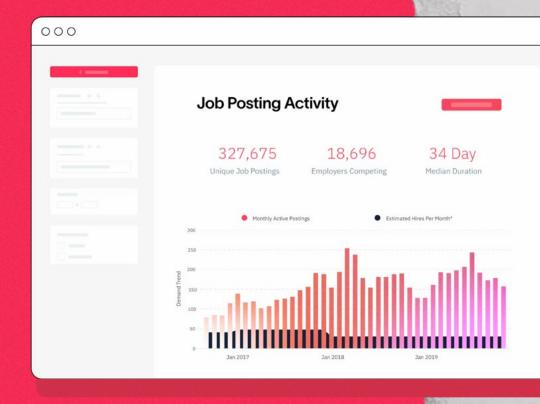


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SECTION I

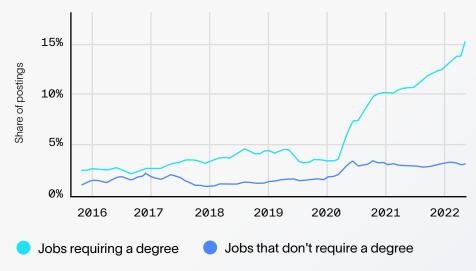
Global Recruiting + Retention Trends

Globally, there are a few key trends in recruiting and retention from 2022 that we can learn from in the year ahead.

First, remote work isn't going anywhere — the data shows that remote postings continue to grow in the US and worldwide. Second, AI isn't taking away jobs like many people feared, but instead, adding them. Third, green jobs and skills related to lowering the carbon footprint are increasingly in demand globally, and in particular in the US, Germany, and Canada.

Remote posting by education level in the US

3-month rolling average



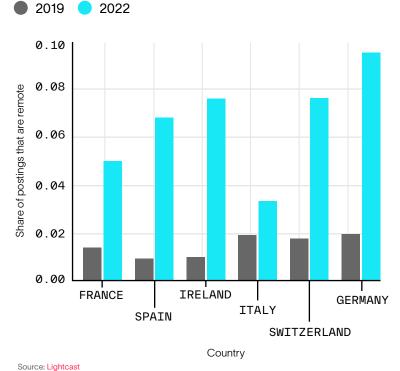
Source: Lightcast



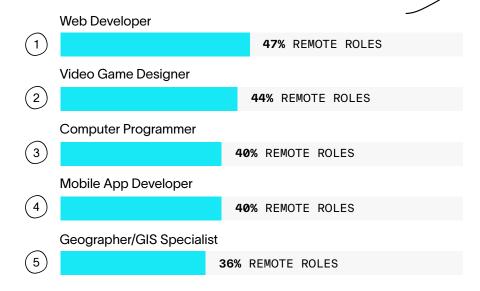
Remote work continues to grow exponentially

15% of jobs requiring degrees are remote — that's up from just over 2.5% of jobs pre-pandemic. In the EU, remote jobs have tripled since 2019 in most countries we studied, with 5X growth in Germany. In the US, jobs like Web Developers and Mobile App Developers have 40%+ remote posts. And newer remote occupations like Medication Aides and Order Processors have both grown more than 10X since 2019.

European countries by share of remote postings



Top occupations for remote work in the US in 2022



Fastest growing remote occupations in the US from 2019-2022

- 1) Medication Aide/Technician
 +5933% GROWTH IN REMOTE ROLES
- (2) Order Processor/Order Entry Clerk +1978% GROWTH IN REMOTE ROLES
- (3) Credit Analyst/Authorizer +886% GROWTH IN REMOTE ROLES
- (4) Tax Manager → +607% GROWTH IN REMOTE ROLES
- 5 Occupational Therapy Assistant +478% GROWTH IN REMOTE ROLES

1

Artificial intelligence (AI) is creating new jobs

Demand for AI and related skills has significantly increased across global labor markets, with the US and UK leading the charge. Since 2014, the share of total postings in Al fields has more than tripled in the US, UK, and Canada.

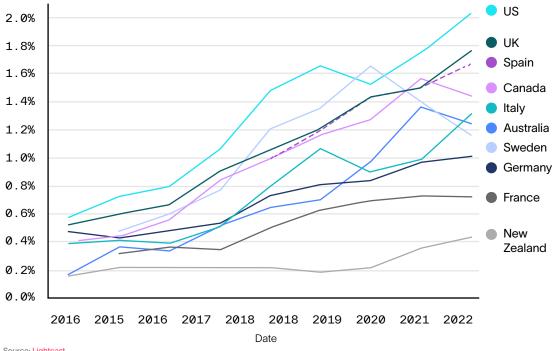


"Lightcast data has been key for our L&D customers to anchor their skill strategies off market data. This makes sure they have the right skill to market fit to drive business success. In the current market conditions, it's essential to understand the skills your team needs today and in the future.



JEFF FISSEL VP Solutions, Learning **Technologies Group**

Al share of total postings



function to

Source: Lightcast

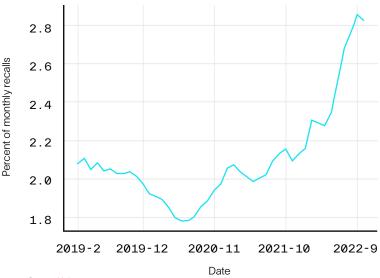


2023 Global Talent Playbook

Green jobs are growing globally, with Germany, the US, and Canada leading the way

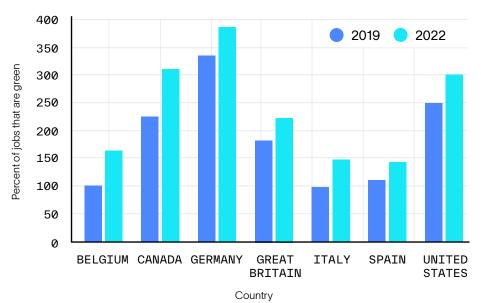
In the United States, green jobs have grown by over 50% since 2019. And globally, we've seen substantial growth in green postings across many countries in the EU. The EU has a greater policy focus on net zero and emissions reduction efforts, which may explain the boost in green jobs.

Green jobs demand over time for the United States



Source: Lightcast

Green job growth by country



Source: Lightcast



Strategies for recruiting + retaining employees in 2023

1. Evaluate which roles can be remote.

Think outside the box, and use technology to your advantage. If your dev roles aren't currently remote, adjust that. Or, risk losing top talent to more flexible competitors.

2. Develop remote leadership+ management training.

Most of your leaders and managers will be working with at least one distributed team member. Make sure they're prepared to handle hybrid, remote, and flexible work as a team.

3. Find out what benefits employees want.

Then, give it to them. Both new hires and your current employees. More on the latest benefits employees want in Section 4.

4. Leverage data to optimize hiring

+ ongoing employee engagement.

Do you have a good sense of what comparable roles' salaries look like in different areas? How about for emerging roles like Al jobs or green jobs? Use labor market data to keep up with industry trends, from salary, to employee expectations, to workplace environment.

5. Offer remote work, and make sure it's engaging and seamless.

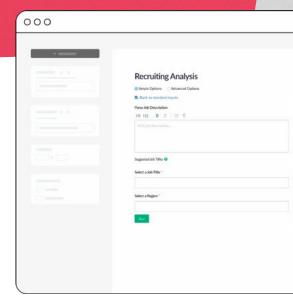
Despite specific companies stating return-tooffice policies, remote work continues to increase and is not slowing down anytime soon. It's time to fully invest in remote and hybrid collaboration technologies, and adjust your company culture to support this new way of working.

Expand your talent pool globally by tapping into remote workers.

The global talent pool is far larger than your regional talent pool, and opening up your workforce means that you might not have to pay overtime for employees who were working off-hours, among other benefits.

Find qualified candidates around the world using Talent Recruit

Learn more





SECTION II

Skills Trends

In 2022, we published ground-breaking research on the "degree reset." Employers have increasingly been hiring based on skills, not college degrees, and it's giving them a competitive edge during a labor shortage. Over the next five years, this could lead to 1.4M+ new jobs for folks without traditional degrees, providing more equitable access to the workforce.

"Jobs don't require four-year college degrees, employers do."

From The Emerging Degree Reset Report



Skills Trends for 2023



Technology has impacted skill requirements, and in-demand skills are changing

We looked at the emergence of new skills and the change in importance to create the <u>Skill Disruption Index</u>. The biggest impacts have been the pandemic and technology, and more roles now require technical or digital skills. Additionally, in the top quartile of jobs, 76% of top 20 requested skills have changed since 2016.



Top specialized skills that employers are hiring for include Figma, NFTs, Web 3.0, and Jira Align

The fastest growing specialized skills are machine learning operations, which relates to data management and analysis, TikTok, which is becoming the <u>primary search engine for Gen Z</u>, and Jira Align, an agile project management tool for engineering teams.



Telecommuting and virtual collaboration are in-demand for all jobs, not just remote roles

The top general skills that employers hired for in 2022 were related to remote work — telecommuting and virtual collaboration — and both saw over 200% growth in the US.



Skills Trends for 2023



Adaptability and innovation-related skills are growing with the boom in new apps and tools

Skills associated with innovation and adaptability are also top of the list, like growth mindedness, intrapreneurship, and adaptive leadership.



Al growth has led to new demand for machine learning-related skills

The #1 specialized skill is machine learning operations, which is growing globally in tandem with demands for Al.



Green jobs are increasing, and so are skills related to net zero

Two of the top ten emerging roles are centered around sustainability, so it's no surprise that net zero is a top ten growing skill. Net zero skills include energy production and use, along with newer requirements for clean energy.





Top Growth Skills: Common/Human

General personas

Telecommuting (+298%)

Average salary: \$78,800

Top titles: Clinical Research Coordinator, Bilingual Spanish Customer Service Representative, Software Engineer

Virtual collaboration (+239%)

Average salary: \$100,100

Top titles: Business Analyst/Programmer, Lead Business

Systems Analyst, Oracle Cloud HCM Consultant

Growth mindedness (+194%)

Average salary: \$75,800

Top titles: Sales and Service Specialist, Store General

Manager, Assistant Teacher

Intrapreneurship (+182%)

Average salary: \$142,000

Top titles: Master Data Engineer, Rare Disease Specialist,

Knowledge Engineer

Adaptive leadership (+134%)

Average salary: \$111,600

Top titles: Portfolio Manager, Shop Service Manager,

Regional Sales Manager

Change agility (+131%)

Average salary: \$90,500

Top titles: Health Science Specialist, Agile Product Owner,

Field Sales Representative

Top Growth Skills: Specialized

Technical, role-related

Machine learning ops (+2993%)

Average salary: \$149,100

Top titles: Data Scientist, Machine Learning Engineer, Data Engineer

TikTok (+2366%)

Average salary: \$56,600

Top titles: Social Media Manager, Social Media Coordinator,

Social Media Specialist

Jira Align (+2331%)

Average salary: \$131,900

Top titles: Scrum Master, Agile Coach, Agile Delivery Master

Non-Fungible Tokens — NFTs (+2289%)

Average salary: \$119,000

Top titles: Global Operations Manager, Blockchain

Developer, Business Strategist

Microsoft Power Platform (+1406%)

Average salary: \$119,900

Top titles: Sharepoint Dev, Platform Dev, Dynamics 365 Dev

Process mining (+1127%)

Average salary: \$116,500

Top titles: Internal Auditor, Internal Audit Manager,

Transformation Manager



Diversity awareness (+112%)

Average salary: \$69,100

Top titles: Operations Coach, Complex Manager,

Auto Care Center Manager

Self evaluation (+100%)

Average salary: \$65,100

Top titles: Registered Nurse, Elementary Classroom Teacher, Occupational Therapy Program Director

Cultural responsiveness (+76%)

Average salary: \$68,300

Top titles: Youth Development Counselors, Assessment

Specialists, Special Education Teachers

Compassion (+68%)

Average salary: \$56,600

Top titles: Registered Nurses, Caregivers, Pharmacy

Technicians

Net zero (+1041%)

Average salary: \$121,600

Top titles: Sustainability Manager, Sustainability Consultant,

Carbon Analyst

Web 3.0 (+1037%)

Average salary: \$154,900

Top titles: Engineering Manager, Blockchain Engineer,

Software Engineer

QR codes (+1006%)

Average salary: \$54,400

Top titles: Information Officers, Marketing Coordinators,

Graphic Designers

Figma (+705%)

Average salary: \$117,500

Top titles: Product Designer, UI/UX Designer, Visual Designer

Percent represents percent growth from 2019 - 2022

Skills Library

Explore 32,000 skills that we've collected from hundreds of millions of job postings, resumes, and online profiles.

Search for free



2023 hiring + retention tips

Remove degree requirements — hire based on skills and expand the pool of qualified candidates.

Use the latest comparable skill data, like <u>Lightcast's open-source</u> <u>library of 32,000+ skills</u>, to figure out exactly what qualifications you're looking for. Not just what you think you need.

Change the way you search for talent.

With changing job requirements, you'll find that your existing recruitment strategies may not translate. Look to your new applicant pool and expand your candidate outreach in new ways. Get on TikTok, perhaps?

Invest in training, development, and reskilling/upskilling for those who are interested in emerging skills.

Develop a culture of <u>reskilling and upskilling</u>, starting even before your new employee's first day. Consider implementing paid training programs for specialized skills if you have trouble finding candidates who have them.

Employers are looking for individuals who are ready to develop themselves as well as their companies, people with an entrepreneurial mindset.

Does a potential new employee have their own side hustle? Rather than steering away from candidates with side hustles, or who are content creators, embrace it!



THOUGHTS FROM AN EXECUTIVE

"The US is facing a persistent and systemic labor shortage. The days of "ready-made" employees are fading as the baby boomers retire. Companies need to embrace a mindset that focuses on finding great people, upskilling them through training and mentoring, and launching them forward into the critical roles that will help the company meet their ambitions."



RON HETRICK
VP of Staffing Strategy and
Senior Labor Economist,
Lightcast



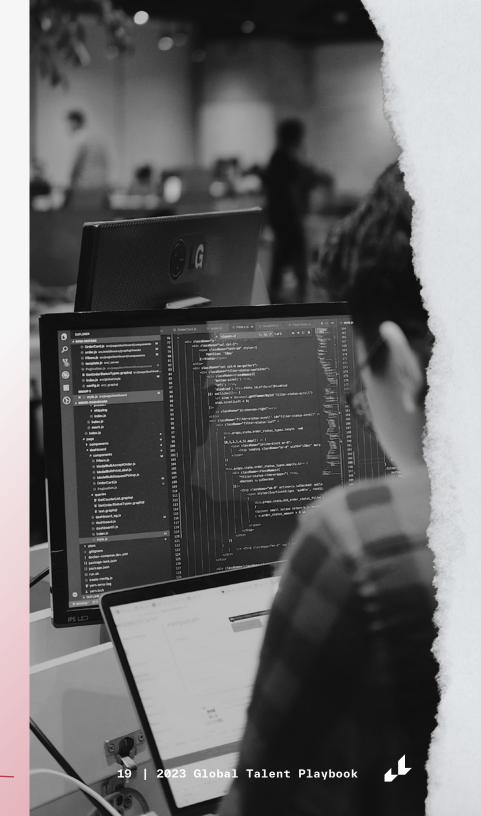
SECTION III

Emerging Occupations

Aligning with remote trends, the two top growing roles in the US are Hybrid Remote Developers and Virtual School Speech Language Pathologists. In the UK, Hybrid Remote Developers have grown by a sky-high rate of 3,495%. There's been a continued expansion of C-suite roles, particularly in software and engineering departments, as well as those in IT.

US companies are increasing postings for global roles as they seek to recruit and retain talent internationally. Global Learning and Development Managers and Global Talent Acquisition Managers make the top 10 emerging roles.

Four of the occupations with the greatest growth rates among all degree jobs are green, and related to sustainability. In the EU countries we studied, these green occupations are all growing at rates of well over 300%.



Top 10 emerging jobs

Hybrid Mobile Developer (+2366%)

Average salary: \$93,400

Top titles: Communications, management, accounting, leadership, Microsoft Excel

Virtual School Speech Language Pathologist (+1132%)

Average salary: \$92,400

Top titles: Speech-Language Pathology, Certificate Of Clinical Competence In Speech-Language Pathology, individualized education Programs, communication disorders, disabilities

Chief Software Engineer (+962%)

Average salary: \$166,800

Top titles: Software engineering, communications, leadership, computer science, coordinating

Global Learning and Development Manager (+804%)

Average salary: \$99,700

Top titles: Writing, adult education, auditing, needs assessment, communications

Cybersecurity Sales Executive (+692%)

Average salary: \$136,100

Top titles: Sales, cybersecurity, sales prospecting,

Salesforce, network security

6 Analytics Strategy and Transformation Manager (661%)

Average salary: \$156,400

Top titles: Communications, leadership, management, influencing, operations

Sustainability Consultant (+635%)

Average salary: \$104,900

Top titles: Consulting, communications, presentations, management, leadership

Energy and Sustainability Manager (+627%)

Average salary: \$110,500

Top titles: Communications, operations, management, presentations, economics

Data Scientist Consultant (+524%)

Average salary: \$141,300

Top titles: Data science, machine learning, data analysis, Python (programming language), communications

Global Talent Acquisition Manager (+448%)

Average salary: \$126,000

Top titles: Talent acquisition, communications, leadership, problem solving, operations

How to hire for emerging roles

First, understand what skills you're looking for. Explore the keywords that people are using to hire for them. Then, plan out the future growth plans for these skills. For example, if you plan to expand your company globally, you'll need someone with a background in talent acquisition and operations. This role could end up leading a team, so they'll need leadership skills. Consider your needs today, in six months, and in two years.

Creating optimized job descriptions with specialized skills

To write an effective job posting, especially for emerging roles with specialized skills, use the data that you have available. The easier it is for the right person to find this role, the more success the candidate will have once they're hired. Use tools like the free Job Posting Optimizer to craft strategic job descriptions to attract qualified applicants.



THOUGHTS FROM AN EXECUTIVE

"The labor market looks completely different from pre-pandemic norms. Recent shifts have led to headcount reductions, workers are looking for new roles, and employee expectations have changed dramatically. Organizations that aren't accurately measuring people data are going to struggle to adapt and stay resilient in this new environment."



BRETT SCHWARZ
Co-Founder & VP Product Alliances,
Visier, Inc.



Compensation, Wage Transparency, + Benefits

Over the past few years, Colorado, New York City, and other states have implemented new salary transparency laws intended to help reduce compensation inequalities, particularly for women, BIPOC, and historically marginalized communities. This has led to an 81% increase in NYC job postings with advertised salaries, and a jump across the country as a whole — since 2017, 160% more job postings include salary ranges.

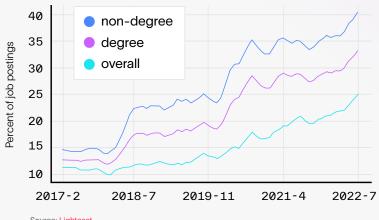
Along with more pay transparency, we're seeing overall growth in wages, especially among those from lower wage levels and non-white employees, which may indicate that the wage gap is shrinking. As for benefits — recent trends show a rising interest in longer-term benefits, like retirement packages and tuition assistance over shorter-term perks like sign-on bonuses.

Workforce intelligence provides the latest data for strategic compensation packages.

Employers are including wages in job postings over 2X more than in 2017

For non-degree positions, the share of postings advertising a wage has increased to over 40%. Degree position postings are on the same trajectory, with the share advertising salaries now reaching 25%.

Postings including advertised wages



Source: Lightcast

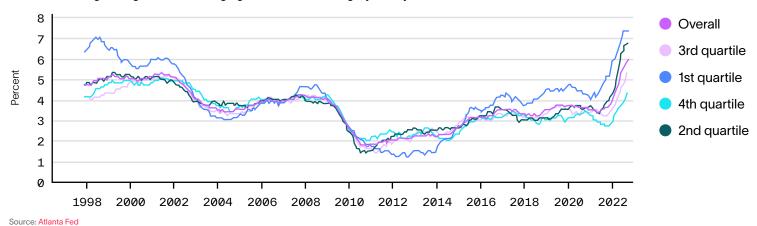


Wage growth in historically underpaid groups is helping close the gap

Wage growth in 2022 has been the highest for the lowest wage levels and for non-white employees, which could suggest that the wage gap is shrinking. Job switchers are also making more than ever before — employers, how are you investing in employee retention this year?

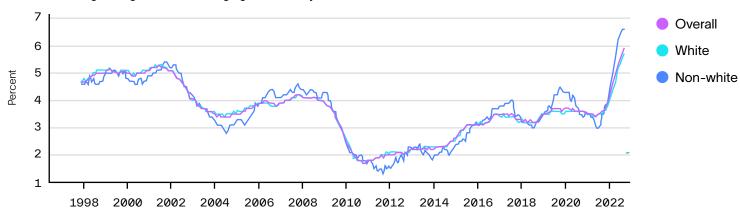
Wage growth tracker by wage level

12-month moving average of median wage growth for each category, hourly data



Wage growth tracker by race

12-month moving averages of median wage growth, hourly data

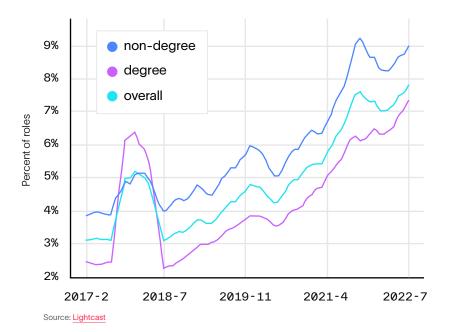


Source: Atlanta Fed

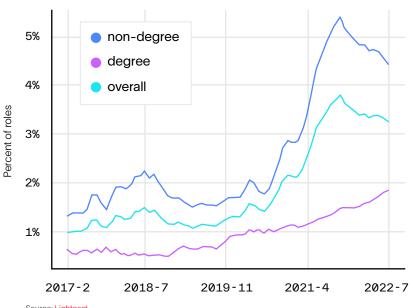
Long-term benefits like tuition assistance are growing faster than shorter term benefits, like sign-on bonuses

Employers are still moving toward increasing overall benefits for their employees. Longer term benefits, like tuition assistance and retirement benefits, are still growing in use as incentive to entice applicants. Shorter term benefits, like sign-on bonuses and on-the-job training have decreased slightly, but are still appearing in postings at high rates overall.

Tuition assistance rate



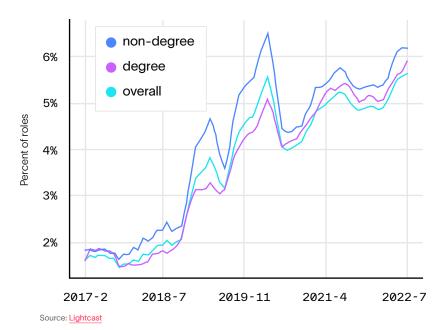
Sign-on bonus rate



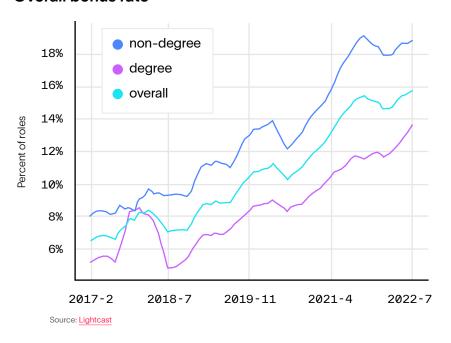




Retirement benefits rate



Overall bonus rate



2023 PLANNING TIP

Create transparent job descriptions, salaries, and benefit packages using current data to attract and retain qualified applicants.



THOUGHTS FROM AN EXECUTIVE

"The top two skills for employees to have in 2023 are hybrid communication and virtual collaboration, showing how valuable remote work experience is to growing businesses. Invest in remote technology and training to set employees up for success and create a strong hybrid culture. That's how companies will attract and retain top talent this year."



ASHLEY KARR Head of Marketing, Owl Labs



SECTION V

2023 Talent Planning Guide

STEP 1

Company-Wide Alignment

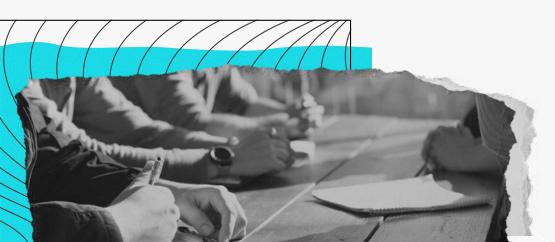
- Set company-wide growth goals.
- Understand the current labor market as a team.
- Identify roles that can be remote or globally-sourced.

Resources

How to Build a Global Talent Acquisition Strategy

Guide to Improving Recruitment, Retention,
Advancement, and Equity

Global Talent: Transparent labor market data for global research.





Revenue Optimization

- Evaluate talent acquisition, retention, and training costs from the past few years.
- Analyze software, headcount, and training costs.
- Look at metrics like time to hire, retention rates, turnover rates, and DEI data.
- Measure the ROI of talent management programs on an ongoing basis.

Resources

Talent Analyst: Labor market data for people analytics.

<u>Talent Transform</u>: Easily store, translate, and customize your job architecture to deliver crucial role information and skill insights.

People Impact Gap Analysis from CFO magazine



Data-Driven Talent Management

- Align new headcount with areas in the company driving value.
- Adjust existing salaries for market rates.
- Review talent needs based on skills and identify skill gaps.
- Create optimized job descriptions and roles to attract qualified candidates.

Resources

Skills Extractor: A free tool to find useful and in-demand skills in your job postings or resumes.

Job Posting Optimizer: Create strategic job descriptions to attract the right candidates.

How to Implement a Transparent
Skills-Based Talent Strategy

Talent Analyst: Complete labor market data for people analytics



Training + Development

- Create training programs designed around skill gaps.
- Conduct ongoing reviews of programs and incorporate data + employee feedback.
- Develop and implement remote management training.

Resources

Ideas for Better Upskilling

Recruit: Intelligently recruit in any market for any skill

<u>Career Pathways</u>: Use data to help employees advance into roles based on adjacent or overlapping skills.



Closing

In 2023, it's all about that data. We're rethinking talent strategy from the ground up. Data-driven talent management has the potential to save companies hundreds of thousands of dollars per employee every year. Plus, it helps make career pathways more equitable and transparent. Turn to resources you can trust that have the latest global data, and make them part of your talent strategy in the year ahead.

Methodology

Lightcast provides the world's most detailed information about occupations, skills in demand, and career pathways, supplying key labor market insights to executives. Dozens of sources, including data from government agencies, provide a long-term view of occupations, compensation, and the broad forces shaping the labor market. Incorporating over 18 billion data points in a simple, accessible set of tools, we deliver all the data you need in one place.

This report was created in collaboration with CXD Studio.



Let's plan your 2023 workforce strategy together, with data.

Find out how Lightcast can help you uncover opportunities, refine your talent strategy, and grow your business with data tools built for you.

Snag your demo spot

