

# INSIDE THE LABOR MARKET

WORKFORCE TRENDS AND A 2026 FORECAST

## RYAN FESTERLING

President & CEO

**QPS** | EMPLOYMENT  
GROUP®

**ACCELERATE**  
PROFESSIONAL TALENT SOLUTIONS

EMPLOYEE OWNED

# MACRO TRENDS IN EMPLOYMENT

## Indeed's 2026 US Jobs & Hiring Trends Report: How to Find Stability in Uncertainty

Big changes to the broad economic picture are unlikely — but that doesn't mean things won't change.

## Amazon CEO tells employees that AI will shrink its workforce

Andy Jassy said in a memo that efficiency gains from the technology will mean the company needs fewer corporate workers.

## Sluggish hiring closes out a frustrating year for job seekers; unemployment slips to 4.4%

WASHINGTON (AP) — Sluggish December hiring concluded a year of weak employment

## US third-quarter productivity rises at fastest pace in two years

That was the quickest pace since the third quarter of 2023 and followed an upwardly revised 4.1% growth rate in the second quarter. Economists polled by Reuters.

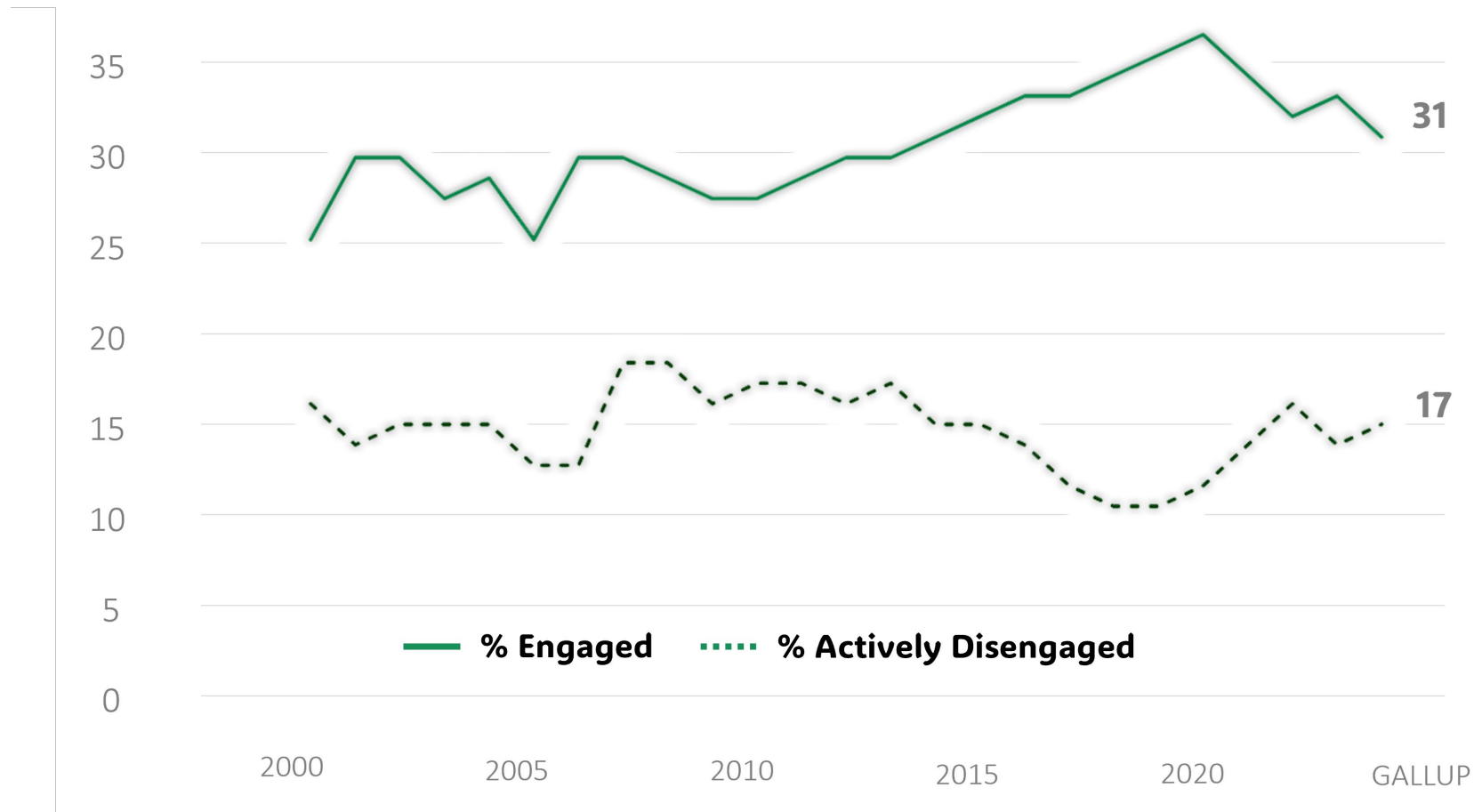




There is **no constant**  
**with humans** –  
it's all **a series**  
**of variables**

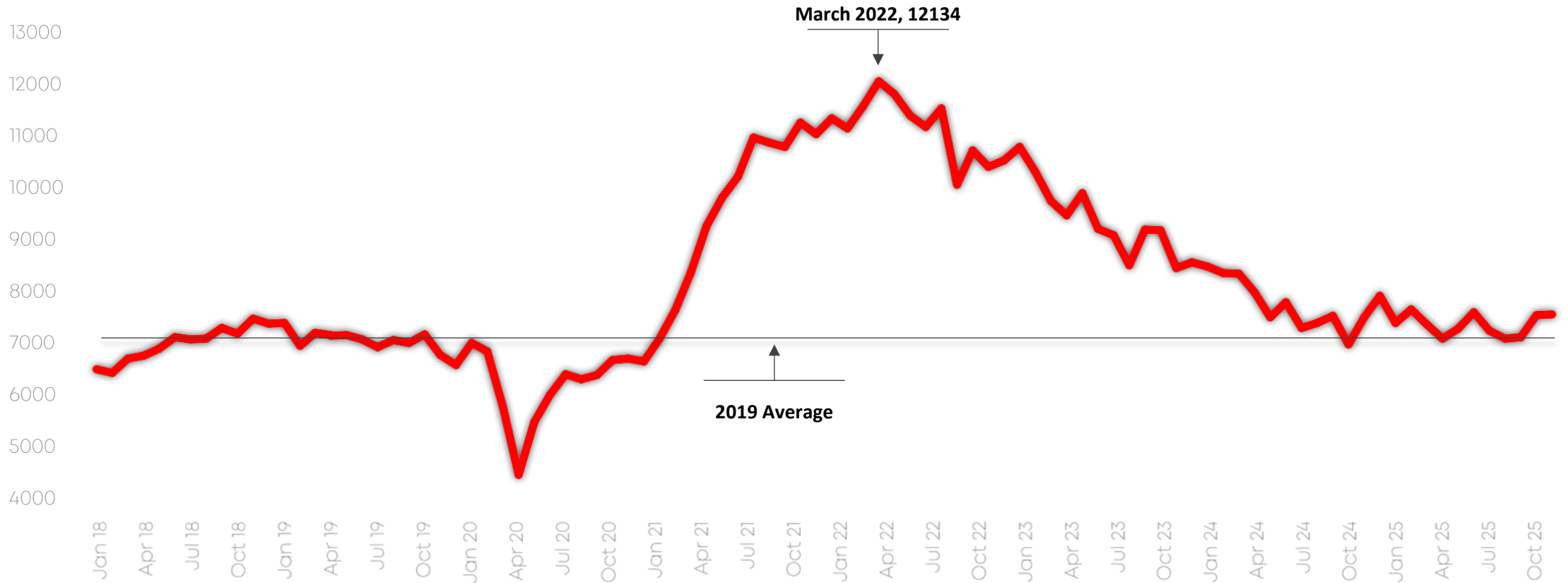
# EMPLOYEE ENGAGEMENT

Sinks To 10 Year Low



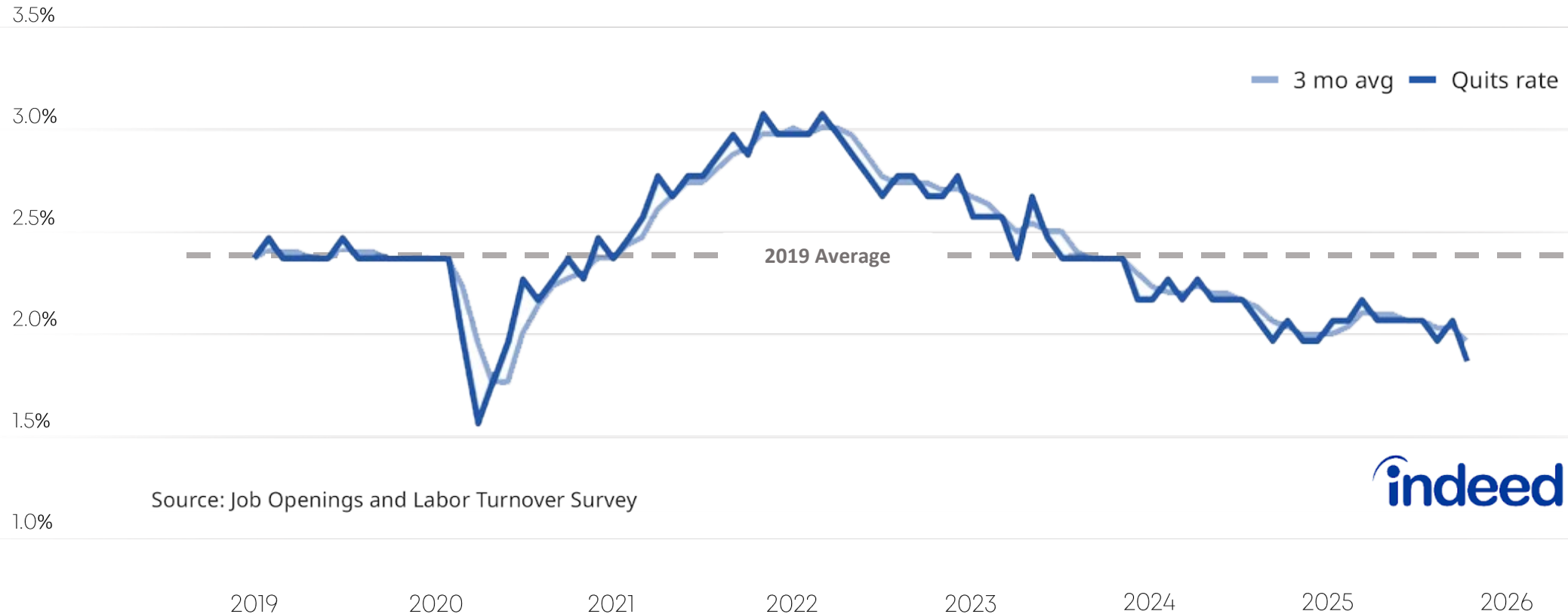
# LABOR DEMAND SAFETY MARGIN UP SLIGHTLY

Total U.S. Job Openings 0.5 Million Above Pre-Pandemic Levels



# QUIT RATE CONTINUES TO TREND DOWN

Quits As % Of Employment, Jan 2019 – Oct 2025



Source: Job Openings and Labor Turnover Survey





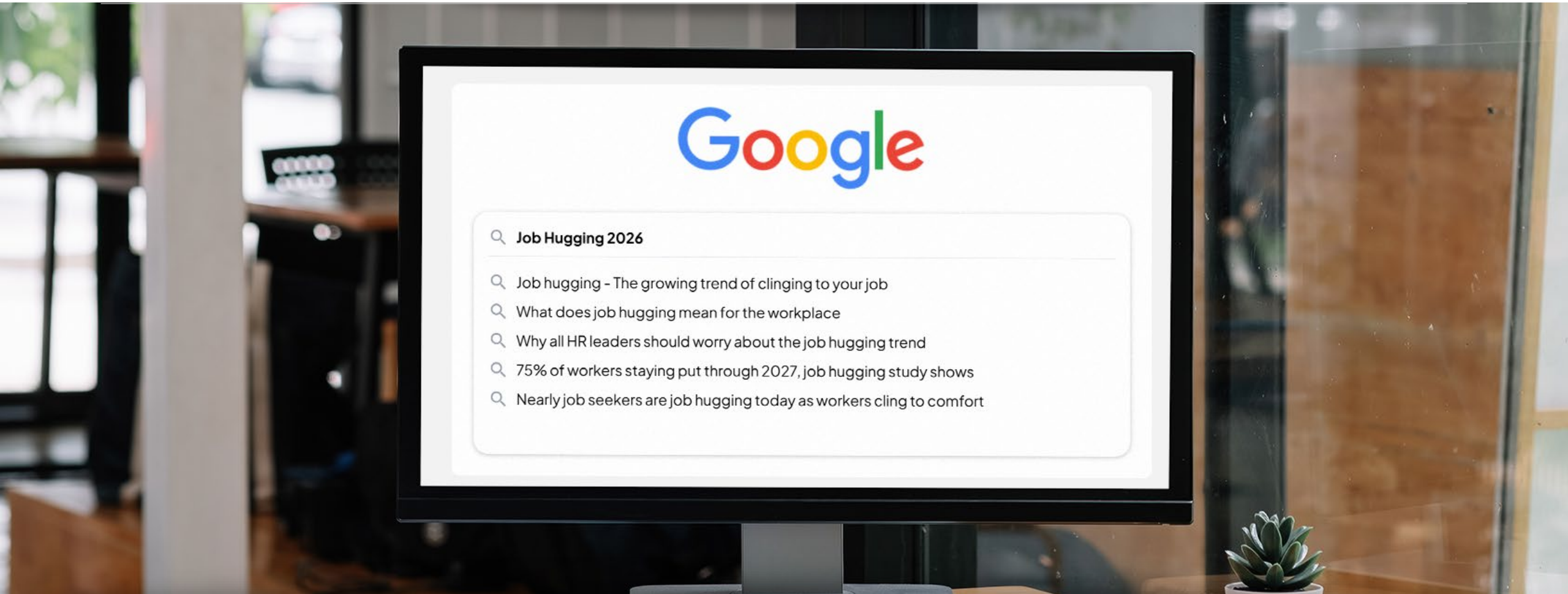


# PREDICTIONS

## Prediction #1

If job seeker confidence increases while job openings increase, your turnover will increase, absent focused engagement.

# THE RISE OF JOB HUGGING



🔍 Job Hugging 2026

- 🔍 Job hugging - The growing trend of clinging to your job
- 🔍 What does job hugging mean for the workplace
- 🔍 Why all HR leaders should worry about the job hugging trend
- 🔍 75% of workers staying put through 2027, job hugging study shows
- 🔍 Nearly job seekers are job hugging today as workers cling to comfort



## **QPS' Top Professional Recruiter**

**31%**

Of Offers Were Declined

## **Reasons why?**

- Influence From Family And Social Groups
- Counter Offers From Employers (PTSD From The Great Resignation)



# WHAT CAN YOU **DO** **DIFFERENTLY** IN 2026?

# TEN YEAR SHIFT

Has AI Made **Hiring**  
More Efficient?

## Employer Perspective

- More tools versus more complexity
- Bigger talent pool vs more competition
- Slow decisions = lost candidates

Has AI Made **Job Searching**  
More Efficient?

## Candidate Perspective

- More access to jobs
- More reviews and pay transparency
- Easy applies lead to more competition





**Is it possible that** the employer and  
employee **efficiencies cancel each  
other out?**



# PREDICTIONS

---

## Prediction #1

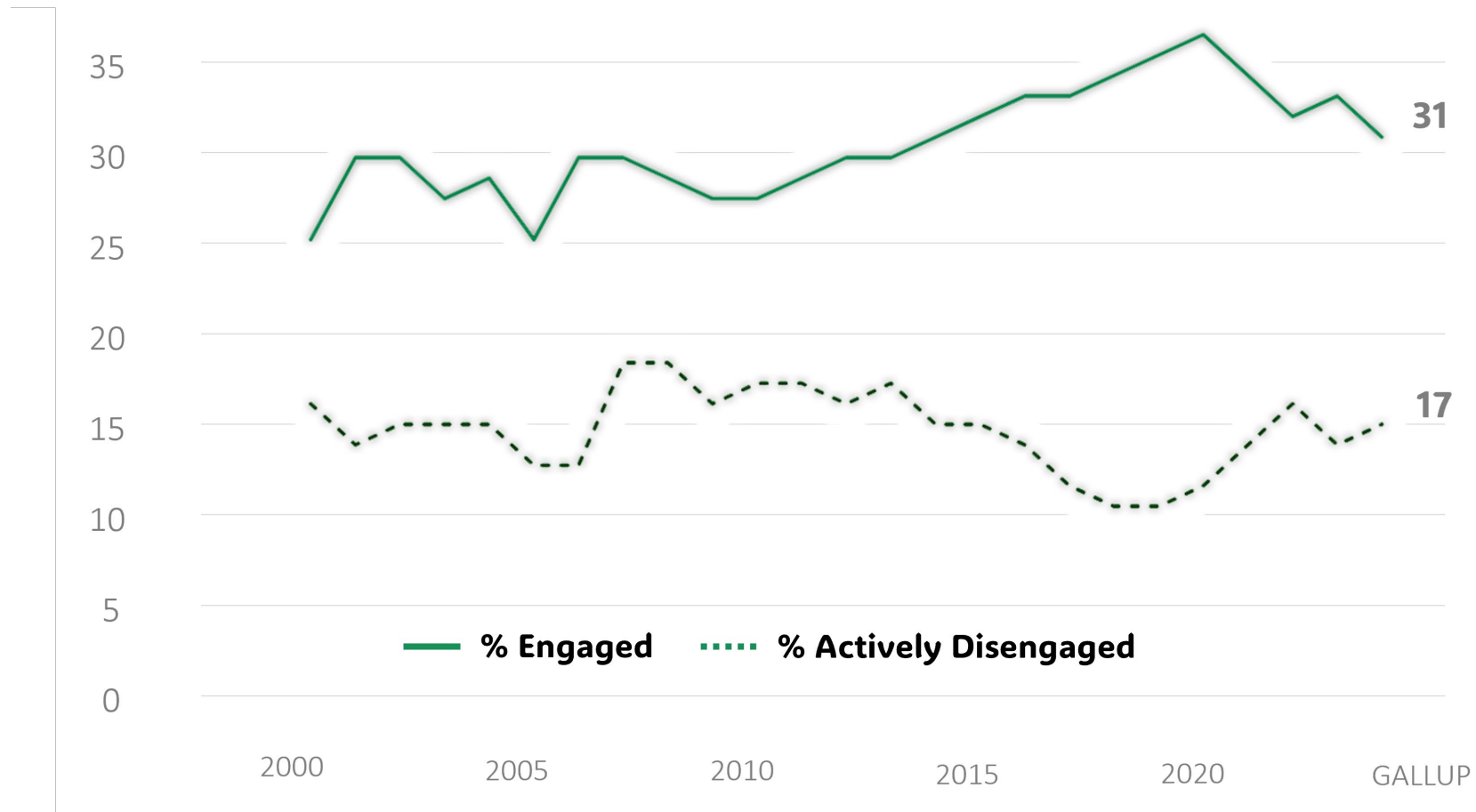
If job seeker confidence increases while job openings increase, your turnover will increase, absent focused engagement.

## Prediction #2

Employers that figure out how to use AI to find efficiencies while putting humans at the center of processes will win.

# EMPLOYEE ENGAGEMENT

Sinks To 10 Year Low





# ENGAGEMENT MATTERS

## Engaged Employees Are . . .

### SAFER

Nearly 70% less likely to experience a safety incident, lowering related costs.

### PRODUCTIVE

Highly engaged teams show a 17–21% productivity increase compared to low-engagement teams.

### PRESENT

Engaged workplaces experience about 41% lower absenteeism.

### LOYAL

Engaged workplaces see a 59% drop in voluntary turnover—saving on recruiting and onboarding costs.







# PREDICTIONS

## Prediction #1

If job seeker confidence increases while job openings increase, your turnover will increase, absent focused engagement.

## Prediction #2

Employers that figure out how to use AI to find efficiencies while putting humans at the center of processes will win.

## Prediction #3

Companies that focus on driving development and engagement with employees won't regret it.



I don't have to be the  
best...

**But I must be better**  
than all the places my  
employees might  
want to work.





**QPS** | EMPLOYMENT  
GROUP<sup>®</sup>

**EMPLOYEE OWNED**

**Ryan** Festerling

President and CEO

QPS Employment Group

**LinkedIn** [.com/in/RyanFesterling](https://www.linkedin.com/in/RyanFesterling)

[Ryan.Festerling@qpsemployment.com](mailto:Ryan.Festerling@qpsemployment.com)